



AGENDA
BREVARD PLANNING BOARD - REGULAR MEETING
Tuesday, June 27, 2023 - 5:30 PM
City Council Chambers

I. Welcome

II. Introduction of Board Members

III. Certification of Quorum

IV. Approval of Agenda

V. Approval of Minutes

- a. May 23, 2023

VI. New Business

- a. Consideration Staff Determinations Streams/Streets Classifications
- b. Consideration of TXT-23-007 Short-Term Rental Task Force Recommended Ordinance Revisions.

VII. Unfinished Business

- a. TXT-23-004 – Discussion of Text Amendment UDO Chapter 10 Parking Standards.

VIII. Public Comments

IX. Remarks

X. Adjourn

Agenda Posted, Website June 23, 2023
J. Pinson, Clerk to the Board

To review Agenda materials, go to the City's website www.cityofbrevard.com. Select "Your Government" tab followed by "Agenda Packet" tab. Agenda packet materials are posted on Friday afternoon prior to the meeting.

**MINUTES
BREVARD PLANNING BOARD REGULAR MEETING
MAY 23, 2023
CITY COUNCIL CHAMBERS**

Brevard Planning Board met for a regular meeting, Tuesday, May 23, 2023, at 5:30 PM, in Council Chambers at City Hall.

Members Present: Greg Hunter, Chair
Reid Wood, Vice Chair
James Carli
Molly Jenkins
Alan Mercaldo
John Schommer

Absent: Peter Chaveas

Staff Present: Aaron Bland, Assistant Planning Director
Emily Brewer, Senior Planner
Janice H. Pinson, Board Clerk

I. Welcome

At 5:30 PM, Greg Hunter, Chair called the meeting to order.

II. Introduction of Planning Board Members

The Board introduced themselves.

III. Certification of Quorum

Chair Greg Hunter confirmed with the Board Clerk that a quorum of the Board was present.

IV. Approval of Agenda

Motion to amend the agenda to move Public Comment prior to Unfinished Business by R. Wood, second by M. Jenkins, unanimously carried.

V. Approval of Minutes

Motion to approve April 25, 2023 minutes M. Jenkins, second by R. Wood, unanimously carried.

VI. Public Comment

The following were allowed to make public comments in reference to application for rezoning REZ-21-004 by Tore's Properties, LLC. A list is attached hereto and labeled, Exhibit "A".

Bonnie Schaffer, Bedford Place. Ms. Schaffer submitted a petition signed by 32 neighbors, a copy of which is attached hereto and labeled, Exhibit "B". The original is being turned over to the City Clerk because it is addressed to the Mayor and City Council. She stated that her planned community has been in existence since 2010, that it has green space, views and vistas and that you enter and exit the community off Osborne Road. She does not feel the plan will reach the goal of improving the community.

Susan Miller, Bedford Place, 56 Knight Court, referenced the areas of the new Comprehensive Land Use Plan that she felt applied to the application. She stated that preserving Brevard and its neighborhoods, sense of place and livable communities is part of the CLUP and that Bedford Place is a long established neighborhood.

Beth Clauss, 5 West Danbury Lane, Bedford Place, Ms. Clauss moved here a year ago. She is concerned about the long-term aesthetic character. She said the board should learn what neighboring communities are doing and consider smaller communities. She stated that growing a large population base will increase transportation capabilities and that Old Hendersonville Highway needs major upgrades to make it safe for all travel types.

Betsy Anderson, Bedford Place is concerned that her property will be negatively impacted. That Brevard is a charming town with country appeal, and she wants that to remain.

Don Loveland, 91 E. Danbury , Bedford Place- Mr. Loveland wants to insure that his community is protected from future development unappealing to the neighborhood close to him.

Sue Loveland, Bedford Place – She stated that an area on Osborne Road was rezoned for Hidden Pond and that they were assured that it would be for affordable housing for fire, police, teachers, and it is not so.

Fred Weaver, a resident on Osborne Road for 26 years, he has concerns that the City's sewer system cannot handle the greater density that would be created, and he has concerns about increased traffic.

There being no further requests for public comment, G. Hunter, Chair, closed public comment.

VII. Unfinished Business

a. Consideration of Application for rezoning, REZ-21-004 by Tore's Properties, LLC for property currently zoned General Residential (GR) located on Highway 64 and Osborne Road, PIN# 8596-26-6331-000.

Aaron Bland, Assistant Planning Director, presented his staff report a portion of which is attached hereto and labeled, Exhibit "C".

Tore Borhaug, Applicant stated that he wanted to build in phases, that he has 8 lots laid out and that he can have 16 duplexes by right on the parcel under the current zoning. Phase 2 would make a total of 16 lots or 21 lots if rezoning to RMX passes. If not approved, he will build what he can by right. He reminded the Board that he asked for 4 acres to be rezoned and that they increased it to the whole neighborhood. He stated that the board knows what the issues are as far as workforce housing is concerned.

There was discussion about the housing type differences and density between the general residential and residential mixed use zoning districts. RMX allows multi family that is not allowed in GR and RMX allows 15 units per acre, but that the allowable uses are very similar.

There was discussion about the lack of sewer availability in the proposed rezoning area, and that the UDO would require the developer to provide adequate water and sewer.

Tore Borhaug explained that he would connect to the sewer line that comes down Osborne Road and to the waterline on Old Hendersonville Highway. He said his geo tech engineer found that the ground water is so close to the ground that a septic system would never be approved and further that the soil conditions would financially prohibit him from building a high-rise structure. He explained that he felt it was time to make a decision, because he has been waiting and not knowing makes planning very difficult.

J. Carli stated that maybe a larger area could be considered at a later time, and that he feels like the area needs to be explored in more detail to make that determination.

G. Hunter stated that he is concerned about spot zoning.

J. Carli said that he feels this would be the first step in the rezoning of other properties.

Motion by J. Carli to change the zoning identified as "Activity Center" and the neighboring cornfield parcel to RMX with reference to the consistency statement, second by J. Schommer.

A. Bland noted that the consistency statement would need to be revised because it includes a larger area.

The motion was amended to stop the rezoning area at the Old Hendersonville Highway, second by J. Schommer, unanimously carried.

The revised Consistency Statement is attached hereto and labeled, Exhibit “D”.

VIII. New Business

a. Consideration of Text Amendment TXT-23-005, Consideration of Text Amendment to UDO Chapter 16.9 Administrative Modifications.

A. Bland presented his staff report, which is attached hereto and labeled, Exhibit “E”.

After a brief discussion, J. Carli moved to approve as written with reference to the Consistency Statement, which is attached hereto and labeled, Exhibit “F” seconded by A. Mercaldo, unanimously carried.

b. TXT-23-004 – Discussion of Text Amendment UDO Chapter 10 Parking Standards.

Emily Brewer presented her staff report and presentation to start the discussion on changes to UDO Chapter 10 Parking Standards, a portion of which follows:

Background & Discussion

Parking regulations in development ordinances are meant to ensure the provision of off-street parking is proportionate to the land use by establishing minimum and/or maximum amounts of parking. These regulations can also be used to incentivize and encourage development that prioritizes multimodal transit options and other adopted goals from the City’s comprehensive plan.

Staff will lead a discussion with Planning Board to understand the opportunities and constraints related to the parking requirements for developments in Brevard.

Policy Analysis

The *Building Brevard 2030* Comprehensive Land Use Plan explicitly calls out parking requirement amendments as a critical action to better link land use with transportation:

- ***ATCH - 9: Right-size parking requirements and develop incentives for multimodal access and alternative approaches to meeting parking demand.***

Parking is a complex issue that affects virtually every aspect of a city’s function, including land use, transportation, economic development, community health and wellness, and public safety. As such, this action step supports many of the Plan’s overarching goals and objectives:

- **GOAL 2:** Encourage a **development pattern** that respects Brevard's sense of place and prioritizes **livable communities**.
- **GOAL 4:** Create a built environment that prioritizes a **safe, active, multi-modal transportation system** and community health and wellness.
- **GOAL 7:** Support economic vitality and **grow the tax base**, cultivate local businesses, and attract sustainable industry.
- **GOAL 8:** Plan for **efficient, equitable, and resilient infrastructure** and services that maintain and improve quality of life throughout the city.

Recommendation

No action requested at this time, as this is intended to be an informal work session.

The SWOT analysis of current parking situation presented is attached hereto and labeled, Exhibit "G".

The discussion on this matter will continue at the next meeting.

IX. Remarks

G. Hunter, Chair stated that when people come before the Board, we need to listen that they need to be heard and that this is a better opportunity for them to engage because City Council is a more formal setting.

A. Mercaldo stated that it was good to hear Tore's plans first-hand. That we need to continue to explore the areas where we can facilitate higher density.

X. Adjournment

There being no further business, M. Jenkins moved to adjourn, seconded by J. Schommer, carried unanimously, and the meeting adjourned 7:56 PM.

Greg Hunter, Chair

Janice H. Pinson, Board Clerk

STAFF REPORT

Planning Board, Tuesday, June 27, 2023

Title: Consideration Staff Determinations Streams/Streets Classifications

Speaker: Aaron Bland and Emily Brewer

Prepared by: Aaron Bland, Asst Planning Director

Approved by:

Background

Daily administration of the City's Unified Development Ordinance (UDO) often requires the zoning administrators to use their professional judgement to make determinations. It has always been good practice for the UDO to include some degree of guidance or factors that the administrator can rely on when making these determinations, but since the passage of G.S. 160D, and the case law that has followed, this has become more and more of a requirement. This is a staff-initiated text amendment that looks to build on others that have been done in the past several years that have added such guidance for administrative decisions into the UDO. This amendment seeks to clarify two areas of ambiguity when making these sorts of determinations that come up regularly in the Planning Department's day-to-day operations.

Discussion

The first is determining which street is the "higher classification" for parcels that front on more than one street, such as corner lots. Determining the which street, road or other type of roadway is a higher classification comes up for the purposes of administering and enforcing the zoning code in several ways, including setback calculations, yard classifications, location of parking facilities, and façade requirements. Often times, determining which of two streets is a higher classification can be quite simple, for example, a lot on the corner of Caldwell Street, a multi-lane US Highway, and Bracken Lane, a narrow dead-end street with only a few houses on it. However, there are instances where it is not so simple, and this amendment looks to give the administrator clear, objective standards to apply when determining which street is of higher or lower classification.

The second is determining what qualifies as a "stream" for the purposes of the 30-foot surface water protection area required by UDO Section 6.7. Staff is proposing utilizing the NC Surface Water Classifications Schedule and associated webmap, which is maintained by the Water Resources Division of the North Carolina Department of Environmental Quality. This will create a single point of reference for developers and administrators to refer to when determining if something is an actual stream that requires the 30-foot buffer, or if it is simply, for example, a drainage ditch. The map can be viewed at <https://experience.arcgis.com/experience/7073e9122ab74588b8c48ded34c3df55/page/Page-1/>

Policy Analysis

Recommendation LUH-19 of the Building Brevard Comprehensive Land Use Plan speaks to ensuring clarity of the regulations found within the UDO, stating "Strive to make planning documents and UDO more approachable and user friendly to empower citizens to understand and advocate for their neighborhoods."

The Plan also specifically calls for the continuation of the stream buffer in PNRC-10 which includes "continue to enforce steep slope and stream buffer requirements for new development."

Action

The Board's role is to make a recommendation to City Council. The Board has the following options in this role:

1. Recommend adoption of the amendment as written;
2. Recommend adoption of the amendment as revised by the Board; or
3. Recommend rejection of the amendment.
4. Table the amendment for further consideration.

In accordance with North Carolina General Statutes, the Planning Board must also submit a statement analyzing the consistency and reasonableness of this proposal with regards to existing policies or plans of the City of Brevard. A Statement of Consistency and Reasonableness is included for the Board's review.

Attachments:

1. 6.7 and 13.7 Draft Amendments
2. Consistency Statement

6.7. Surface water protection requirements.

- A. *Purpose and intent:* The purpose of this section is to provide a network of protected stream corridors thereby helping to maintain water quality, provide wildlife habitats, filter pollutants, store floodwaters, and contribute to the "green infrastructure" of the City of Brevard and lands within its jurisdiction. Stream systems are comprised of each stream and its respective drainage basin. Streams have the primary natural functions of conveying storm, ground, and surface waters, storing flood waters, and supporting aquatic life. Vegetated lands adjacent to the stream channel serve to protect the stream's ability to fulfill its natural functions. Surface water protection areas have the primary natural functions of protecting water quality by (1) filtering sediments and pollutants such as nitrogen, phosphorus, trace metals, and hydrocarbons, (2) providing intermittent storage for flood waters, (3) allowing channels to meander naturally, and (4) providing suitable habitat for wildlife.
- B. *Applicability:* This section shall apply to all surface waters (as defined by this ordinance) and all non-encroachment areas and regulatory floodways (as delineated upon the most recently published Flood Boundary and Floodway Map (FBFM) and/or Flood Insurance Rate Map (FIRM), within the planning jurisdiction of the City of Brevard.
- C. *Relationship to previously approved development plans, structures, and uses:* Uses and structures approved and constructed in a protection area prior to the enactment of this ordinance may remain as nonconformities, subject to any legal requirements attributed to that status. All development plans, development projects and uses permitted subsequent to the enactment of this ordinance, including expansions to previously approved and constructed uses and structures, shall comply with the surface water protection requirements of this ordinance.
- D. *Surface water protection area delineation:* Surface water protection area requirements apply to the regulatory floodway and non-encroachment areas, as well as lands within 30 feet from the top of each bank of a stream or other surface water body.
1. For streams and other surface waters with defined channels, protection area widths are measured horizontally on a line perpendicular to the surface water, landward from the top of the bank on each side of the channel.
 2. "Top of bank" shall be determined by the administrator by considering factors such as the break in slope for a watercourse and the presence of streamside vegetation.
 3. For rivers, streams, creeks, brooks, and any other continuous body of surface water flowing within the bed and banks of a channel, the determination of applicability of this section shall be based on the water body's inclusion on the NC Surface Water Classifications Schedule and Map, as maintained by the Division of Water Resources of the North Carolina Department of Environmental Quality.
 4. For wetlands, as defined in this ordinance, protection area widths are measured horizontally, landward from the outermost point at which wetland conditions can be identified.
 45. For ponds, lakes, and other impounded surface waters, protection areas widths are measured horizontally, landward from the ordinary high water line. Protection areas requirements do not apply to wet ponds used as structural stormwater control and treatment measures for stormwater.
 56. For other surface waters, the protection area shall be determined by the administrator in consideration of the purposes of this section.
 67. When a combination of floodway/non-encroachment area and/or surface water types exist, the most restrictive measurement of surface water protection area shall apply.
- E. *Surface water protection area requirements:*

-
1. Protection areas shall be left in a naturally vegetated state, unless reforestation of disturbed protection areas is required as part of any site plan approval. When reforestation of a disturbed protection area is required, it shall be done in accordance with a planting plan approved by the administrator.
 2. Concentrated runoff from ditches or other manmade conveyances shall be diverted to diffuse flow before the runoff enters the protection area.
 3. Periodic corrective action to restore diffuse flow shall be taken by the property owner as necessary to avoid the formation of erosion gullies.
 4. Diffuse flow of runoff shall be maintained in the protection area by dispersing concentrated flow and reestablishing vegetation.
 5. Surface water protection areas shall be delineated upon any development plan and shall be noted as protection areas within which no disturbance or development shall be permitted.
 6. The following impacts are expressly forbidden in surface water protection areas (including floodways, non-encroachment areas) and associated water bodies:
 - a. The placement of fill or the deposition of any natural or manmade material or substance;
 - b. New development, substantial improvements, new construction, new impervious surfaces, the placement of structures or any other form of development or encroachment, except those associated with public utilities;
 - c. Grading, excavation, the removal of vegetation, or any disturbance of any kind; except excavation and fill required to plant any new trees or vegetation;
 - d. The ditching, dredging, channelization, straightening, relocation, diking, levying, or any other alteration or modification of any kind, to surface waters, except dredging necessary to maintain pre-existing, human-made water impoundments such as ponds and lakes;
 - e. The routing underground (by culvert or other means) of any surface water, except to facilitate crossings by approved roads, streets, driveways, greenways, sidewalks, and other transportation facilities;
 - f. The impoundment of water bodies (this shall not prohibit the maintenance of existing ponds, lakes, and other impoundments); and
 - g. Any other type of encroachment, disturbance, or modification to floodways, non-encroachment areas, or other surface water protection areas or associated surface waters.
 7. The following protection area impacts are permitted; however, design and construction shall comply with applicable city standards for stabilization of disturbed areas to minimize negative effects on the quality of surface waters.
 - a. Road crossings for connectivity or transportation links and required utilities including public and private streets, driveways, and bridges, where the City of Brevard has granted site plan approval.
 - b. Parallel water and sewer utility installation as approved by City of Brevard.
 - c. Approved public or common area open space, paths and trails. Pathways should use existing and proposed utility alignments or previously cleared areas and minimize tree cutting to the maximum extent practicable. To the extent possible, pathways shall be "on-grade" and shall preserve existing drainage patterns and avoid drainage structures that concentrate stormwater.
 - d. Incidental drainage improvements/repairs for maintenance provided that such maintenance does not result in channelization, straightening, or modification of the natural course of a stream channel or the deforestation of the regulatory floodway or protection areas.

-
- e. Mitigation approved by a local, state, or federal agency acting pursuant to Sections 401 or 404 of the Federal Clean Water Act.
 - f. Stream bank or stream channel restoration or soil stabilization activities of the North Carolina Cooperative Extension Service, Transylvania County Soil and Water Conservation Service, USDA Natural Resources Conservation Service, Transylvania County, the City of Brevard, the North Carolina Forest Service, or a cooperating organization or entity. This exception does not include the straightening or channelization of any watercourse.
 - g. The removal of invasive exotic plant and tree species or trees posing a hazard to life or property.
- 8. Uses permitted in the protection area shall be coordinated to ensure minimal disturbance of the protection area system. For example, if it is necessary to install utilities within the protection area and if greenway trails are then to be built, they should follow these cleared areas instead of necessitating additional clearing.
 - 9. The approving authority may reduce the required front, rear, or side setbacks by up to 20 percent of the required distance in order to facilitate compliance with this section. Additional setback deviations shall be considered as variances by the BOA in accordance with the procedures set forth in Section 16.8.

(Ord. No. 2021-16 , § 1(Exh. A), 4-19-21)

13.7. Reserved Street classifications.

A. Determining streets of higher classification

1. Ownership. When making a determination, the administrator shall first consider the ownership of each of the roads. State roads are always considered higher classification than local roads. Local roads are always considered a higher classification than private roads. If any portion of the roadway is a State road, regardless of if property in question is adjacent to a section maintained by the City, the road shall be considered a higher classification than local roads. This applies to French Broad Street, Main Street, Whitmire Street, Elm Bend Road, and other streets that change ownership within the City's jurisdiction. This does not apply to roads that change ownership at the edge of the City's corporate limits, such as Carolina Avenue.
2. Other factors. If that does not establish the higher classification, the administrator shall consider the following factors in making a determination:
 - a. The speed limits on the roads, according to the adopted traffic schedule in Section 66 of the City Code;
 - b. The estimated traffic volumes on the roads;
 - c. The length of the roads (e.g., a road that is 2 miles long in total verses a road that only extends ¼ mile); and
 - d. The width of the rights-of-way on the roads.

**COMMENT OF CONSISTENCY WITH COMPREHENSIVE PLAN
AND ANY OTHER OFFICIALLY ADOPTED APPLICABLE PLANS**

NCGS 160D-605 requires that the Planning Board shall advise and comment on whether the proposed amendment is consistent with any comprehensive plan prior to consideration by the Governing Board. The Planning Board shall provide a written recommendation to the Governing Board that addresses plan consistency and other matters as deemed appropriate by the Planning Board, but a comment by the Planning Board that a proposed amendment is inconsistent with the Comprehensive Plan shall not preclude consideration or approval of the proposed amendment by the Governing Board.

The Brevard Planning Board forwards this recommendation to City Council with a finding that the proposed zoning map amendment is **consistent** with the following elements of the City's adopted plans and policies:

Building Brevard Comprehensive Land Use Plan:

LUH- 19: Enhance communication of land use planning efforts, policy development, approvals and processes. Create online public information portal to provide updates on proposed and in-progress development projects. Strive to make planning documents and UDO more approachable and user friendly to empower citizens to understand and advocate for their neighborhoods.

PNRC- 10: Preserve steep slopes and natural areas adjacent to Pisgah Forest. Continue to enforce steep slope and stream buffer requirements for new development. Coordinate with landowners and land trust to conserve strategic lands.

STAFF REPORT

Planning Board, Tuesday, June 27, 2023

Title: Consideration of TXT-23-007 Short-Term Rental Task Force Recommended Ordinance Revisions.

Speaker: Aaron Bland, Asst Planning Director

Prepared by: Aaron Bland, Asst Planning Director

Approved by:

Background

On September 20, 2021, the Brevard City Council adopted Resolution Number 2021-47 establishing the Short-Term Rental Task Force. The purpose of the Task Force is to obtain data on short-term rentals (STRs) in the City of Brevard, assess positive and negative impacts, and provide recommendations to City Council. Short-term rentals are defined, for the purposes of the Task Force, as private residential properties that are rented, either in whole or in part, for periods of less than 30 days for compensation. The Task Force members were:

- Aaron Baker, Brevard City Council & Co-Chair (replaced Maureen Copelof after she was elected Mayor)
- Geraldine Dinkins, Brevard City Council & Co-Chair
- Issac Allen, White Squirrel Realty
- Hannah Bowers, Citizen
- Nory LeBrun, Chamber of Commerce
- Madeline Offen, Pisgah Legal Services
- Jeremy Owen, Beverly-Hanks Realty
- Dee Dee Perkins, Tourism Development Authority
- Tripp Presnell, Citizen
- Mack McKeller, City Attorney (ex-officio member)
- Aaron Bland, Assistant Planning Director (ex-officio member)

The Task Force has met monthly since its inception, with all meetings open to the public and advertised as all Council committee meetings are. Several meetings saw significant attendance by the public, with many people speaking during the public comment portion of the meetings. In the course of its consideration, the Task Force commissioned an economic impact analysis and a representative survey of city residents.

The economic impact analysis covered all of Transylvania County and the key findings of the study included: STRs account for 5-6% of total housing units in Transylvania County; new housing supply has not kept up with housing demand; and there is a positive but limited correlation between the STR market and local housing prices. The full analysis is included as an attachment to this staff report.

The survey was conducted by Dr. Annelise Hagedorn, a sociology instructor at Blue Ridge Community College. Five hundred addresses within the city limits were randomly selected, and a three-step process of inviting participation from a household member of those residences was completed. Participants were asked to complete a brief online survey with multiple-choice and short-answer questions about their experiences with short-term rentals in Brevard. Following the representative survey, the survey was opened up to the public at large. Reports from Dr. Hagedorn summarizing these surveys are included as attachments.

After nearly two years of consideration, on June 15, 2023, the Task Force voted to recommend a draft amendment to the City's Unified Development Ordinance, specifically Sections 2.2 and 3.6.1.C, to update the regulations that pertain to short-term rentals. Because these are amendments to the City's zoning ordinance, the recommended language must be reviewed by the Planning Board before consideration by City Council.

Discussion

The Task Force's draft ordinance seeks to address the area's ongoing housing crisis and preserve the character of Brevard's residential neighborhoods. The new regulations still allow for many properties to operate as STRs while also taking into consideration the housing needs of local workers and area residents who have been particularly impacted by the shortage of available housing and long-term rental options. In their discussions, members of the Task Force emphasized the importance of ensuring new construction focuses on residential housing instead of contributing to increased STR stock, but also respected that existing STRs are an important source of income for residents, some of whom wouldn't be able to live in Brevard otherwise.

Staff will review the amendments in detail at the meeting but the major components of the recommended language are:

- Requiring a typical zoning permit before opening a new STR
- Adding an exemption to the definition of STRs for rentals where a permanent resident lives on-site
- Eliminating STRs as an allowed use in the General Residential zoning district
- Adding STRs as an allowed use in the Corridor Mixed Use and Institutional Campus zoning districts
- Grandfathering in existing STRs

Policy Analysis

The recommended ordinance was drafted in coordination with the City Attorney, who kept the Task Force apprised of changes to state statutes and case law as discussions progressed. The Land Use & Housing chapter of the Building Brevard Comprehensive Land Use Plan makes mention of the impact STRs have on available housing stock. And recommendation LUH-17 is specific to STRs: "Monitor impacts and consider additional regulations for short-term rentals. Follow

recommendations from the City's Short Term Rental Task Force."

Fiscal Impact

The proposed ordinances would be enforced by the Planning Department the same as all other zoning/permitting issues. However, if the inspection and enforcement of STRs becomes a large burden on the Planning Department, additional staffing may be required.

Action

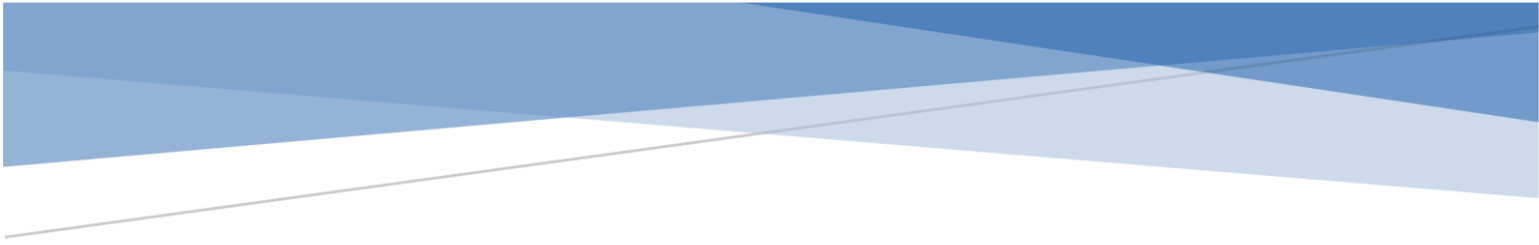
The Board's role is to make a recommendation to City Council. The Board has the following options in this role:

1. Recommend adoption of the amendment as written;
2. Recommend adoption of the amendment as revised by the Board; or
3. Recommend rejection of the amendment.
4. Table the amendment for further consideration.

In accordance with North Carolina General Statutes, the Planning Board must also submit a statement analyzing the consistency and reasonableness of this proposal with regards to existing policies or plans of the City of Brevard. A Statement of Consistency and Reasonableness is included for the Board's review.

Attachments:

1. Economic Impact Analysis
2. Representative Survey Results Report
3. Public Comment Survey Results Report
4. STR Task Force Recommended Ordinance
5. Consistency Statement



ECONOMIC IMPACT, JOBS, & HOUSING ANALYSIS OF SHORT-TERM RENTALS IN BREVARD/ TRANSYLVANIA COUNTY

Winter 2022



Matt Curtis, Founder and CEO of Smart City Policy Group
Matt@SmartCityPolicyGroup.com

Table of Contents

02 Economic Impact Study Overview/Summary

03 Transylvania Tourism

05 Short-Term Rentals in Brevard/Transylvania County

05 Economic Impact Calculations

06 Economic Impact Methodology

07 Economic Impact Results

09 Conclusions

10 Housing Study

11 Disclaimers

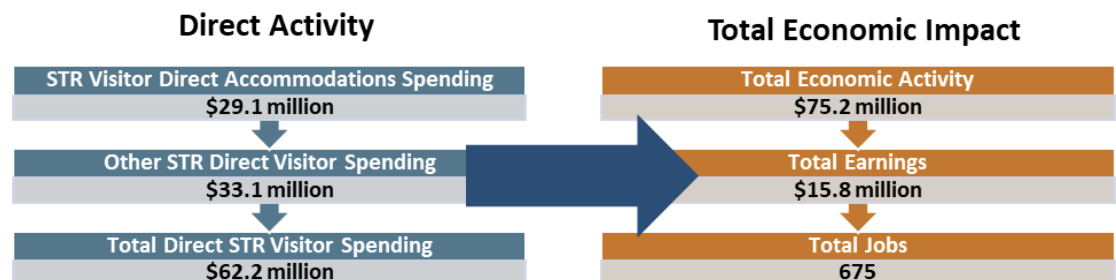


TXP, Inc.
Austin, Texas
(512) 328-8300
www.txp.com

Economic Impact Study Overview/Summary

The popularity of short-term rentals (STRs) has surged as a lodging choice for travelers in almost all communities in the United States, allowing greater consumer choice as to the range and nature of travel accommodations. As the North Carolina tourism and travel industry continues to grow, STRs have become an important part of the lodging market in communities such as Brevard/Transylvania County (Transylvania), especially in light of the COVID-19 pandemic.

This study calculates the economic impact of STRs on Transylvania using information based on the most recently available data provide by AllTheRooms, an STR data service provider. To set the context, the report provides a discussion of recent trends in tourism in Transylvania as well as the specific characteristics of the regions's STR market. Estimates are then produced of the additional spending in the local economy by visitors who stay in STRs. The analysis then calculates the total economic impacts.



The direct spending by STR guests Transylvania in 2020 yielded a total impact of over \$75 million in economic activity, value-added above \$48 million, \$15.8 million in annual earnings, and 675 full-time, permanent jobs. As would be expected, the lion's share of the activity tends to be found in consumer-driven segments of the economy such as food services, retail trade, and arts & entertainment. Of note is the fact that direct STR lodging spending is allocated to the property management sector, rather than the accommodations sector, since revenue flows to private homeowners.

It is increasingly clear that throughout the Land of the Sky region STR activity is serving to expand the lodging market by providing a complementary good. STRs serve a specific market - the casual leisure traveler. This traveler typically is interested in lodging options with amenities and geographic locations not fully satisfied by more traditional choices, a point especially emphasized during the pandemic. As a result, a region's overall travel and tourism industry activity, and the resulting local economic impact, today more than ever is increased by including STRs in the available lodging options.

Transylvania Tourism

The Transylvania County Tourism Development Authority (TCTDA) provides quarterly and annual reports to its board regarding local tourism market trends. The following are excerpts from those reports. As is no surprise, local tourism performed relatively well during the period leading up to the pandemic and has continued to outperform other markets even as travel across the world suffered. The main reason in their eyes: recreational/leisure travelers who stay in short-term rentals.

From the 2019/2020 Fiscal Year Report to Transylvania County Commissioners

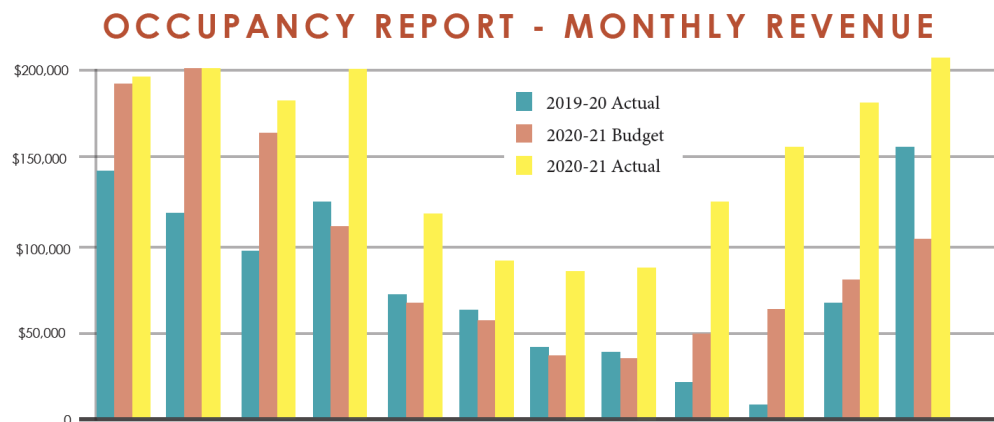
Through the midway point of FY20, the local tourism economy was at an all-time high, with an average of 5% annual growth in total spending and 10% in occupancy tax revenue over the prior decade. Over the past few years, occupancy tax revenue growth has been at 15% with virtually every month each year at a record level. Accompanying this recent increase was a shift in both the supply and the demand in the short-term rental (STR) segment of the industry. Airbnb and VRBO have created tremendous growth in this realm with certain high-demand destinations like ours seeing exponential growth. Collections and payments by Airbnb began in 2016 and have quadrupled since that time with VRBO following suit in late 2019 with a subsequent steady increase. In March, everything changed. The impact on visitation was felt dramatically in March, April, and May, with occupancy tax returns of 46%, 12%, and 73%, respectively, versus the prior year. As North Carolina reopened, demand for visitation to rural areas with outdoor amenities was high, and by June, occupancy revenues were . . . at an even higher rate than before. The numbers for June (and beyond) reflect Airbnb and VRBO payments of 2.5 to 3 times that of the prior year.

The key reason for this difference is the degree of dependency our destinations have on recreational travel. Those recreational travelers have returned relatively quickly, showing a desire to be outside and away from urban areas. The end result has been a much quicker bounce back for many rural destinations.

From the 4Q Fiscal Year 2021 (Apr-Jun) Report to Transylvania County Commissioners

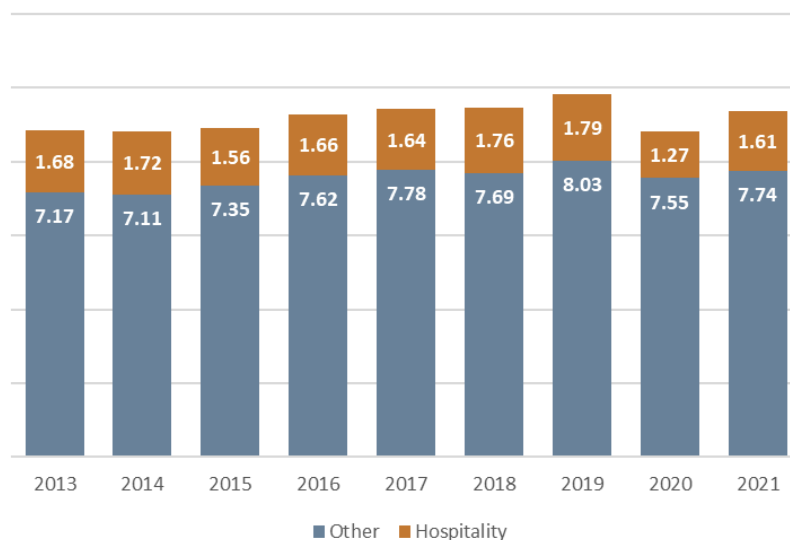
Annual occupancy tax revenue continues to grow, increasing 16.2% over prior year. A portion of this increase is due to a higher ADR for accommodations, but most is assumed to be an increase in the number of overnight visitors to the area. Since the supply of traditional accommodations didn't change substantially and reported occupancy increased only slightly, we can assume that just a small portion of these additional visitors stayed in traditional accommodations. The area that was the biggest recipient of these additional overnight visitors was the short-term rental (STR) market.

Figure 1: Transylvania Occupancy Tax Revenue



Source: TCTDA; TXP, Inc.

Figure 2: Transylvania July Employment: Hospitality vs. Other Sectors



Source: Bureau of Labor Statistics; TXP, Inc.

Short Term Rentals in Brevard/Transylvania

Vacation rental properties have been part of the accommodations market for decades in some of North Carolina's most popular tourism destinations, especially in Brevard/Transylvania County. The focus of the direct impact of STRs for this report is on how much was spent overall by visitors who stay in STRs.

Table 1: Transylvania July Employment: Hospitality vs. Other Sectors

	Room-Nights	Gross	Occupancy	RevPAR	Stay (days)
2019	71,321	\$12,920,648	29.2%	\$52.92	3.90
2020	89,212	\$17,713,325	39.8%	\$79.04	4.33
2021	126,516	\$29,079,886	50.8%	\$116.84	4.01

Source: AllTheRooms; TXP, Inc.

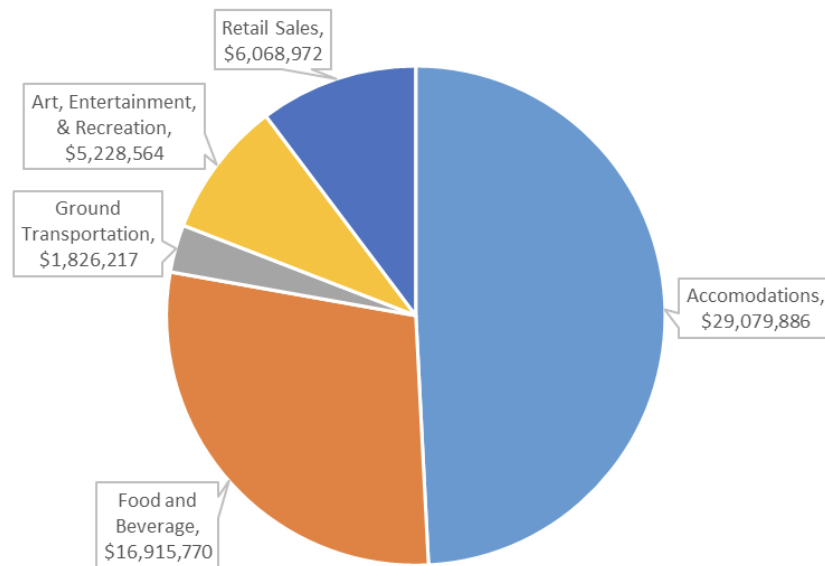
Economic Impact Calculations

The economic impact of STRs in Transylvania was calculated as follows. First, aggregate direct accommodations spending of visitors using STRs (not including studios or one-bedrooms), totaled \$29.1 million being spent last year.¹

¹ Data was provided by AllTheRooms.

Next, this spending figure was used as the basis of calculating the STR guest spending on other tourism purchase categories, such as entertainment and food. The result was total direct spending attributable to STRs of \$62.2 million last year. This direct spending was used to estimate the ripple effects, i.e., the induced and indirect impacts, with the total economic impact the combination of all three.

Figure 3: 2021 Estimated Direct STR Visitor Spending by Category (\$millions)



Source: US Census Bureau, TXP, Inc.

Economic Impact Methodology

The second step in the process is to translate the direct impact into the total economic impact through an input-output model of the Transylvania county economy and each of the subregions that allows measurement of the secondary, or “ripple” effects.

- Output (also known as Economic Activity and equivalent to top-line revenue), which describes total economic activity and is equivalent to a firm’s gross sales or top-line;
- Value Added which equals gross output of an industry or a sector less its intermediate inputs or purchases from other firms used in the production process;
- Labor Income which corresponds to wages and benefits; and
- Employment which refers to jobs that have been created in the local economy.

The economic impacts extend beyond the direct activity outlined above. In an input-output analysis of new economic activity, it is useful to distinguish three types of expenditure effects: direct, indirect, and induced.

Direct effects are production changes associated with the immediate effects or final demand changes. The payments made by a visitor to a hotel operator or taxi driver are examples of a direct effect.

Indirect effects are production changes in backward-linked industries caused by the changing input needs of directly affected industries – typically, additional purchases to produce additional output. Satisfying the demand for an overnight stay will require the hotel operator to purchase additional cleaning supplies and services, for example, and the taxi driver will have to replace the gasoline consumed during the trip from the airport. These downstream purchases affect the economic status of other local merchants and workers.

Induced effects are the changes in regional household spending patterns caused by changes in household income generated from the direct and indirect effects. Both the hotel operator and taxi driver experience increased income from the visitor’s stay, for example, as do the cleaning supplies outlet and the gas station proprietor. Induced effects capture the way in which this increased income is spent in the local economy.

Figure 8: The Flow of Economic Impacts



The interdependence between different sectors of the economy is reflected in the concept of a “multiplier.” An output multiplier of 2.5 for example, means that for every \$1,000 injected into the economy, all other sectors produce an additional \$1,500 in output. The larger the multiplier, the greater the economic impact. In this analysis, TXP used the RIMS II input-output multipliers produced by the U.S. Bureau of Economic Analysis for Transylvania County.

Economic Impact Results

The direct spending by STR guests in Brevard/Transylvania in 2020 yielded a total impact of over \$75 million in economic activity, value-added above \$48

million, \$15.8 million in annual earnings, and 675 full-time, permanent jobs. table that follows details the total impacts statewide and for the submarkets, both summarized and detailed by industry sector. As would be expected, the lion's share of the activity tends to be found in consumer-driven segments of the economy such as food services, retail trade, and arts & entertainment. Of note is the fact that direct STR lodging spending is allocated to the property management sector, rather than the accommodations sector, since revenue flows to private homeowners. Further benefits accrue to state and local governments in the form of taxes assessed on direct spending by STR guests, as well as revenues generated by the ripple effects of that spending. Tourism tends to generate a high proportion of tax revenue compared to other industries. Most goods and services purchased by visitors are taxed, and many at a higher rate than other goods.

Figure 9: Total 2021 Transylvania STR Economic Impact (\$millions)

	Output	Value-Added	Earnings	Jobs
Agriculture, etc.	\$0.1	\$0.0	\$0.0	1
Mining	\$0.0	\$0.0	\$0.0	0
Utilities	\$0.8	\$0.5	\$0.1	1
Construction	\$1.6	\$0.8	\$0.5	9
Durable Manufacturing	\$0.1	\$0.0	\$0.0	1
Non-Durable Manufacturing	\$0.5	\$0.1	\$0.1	2
Wholesale Trade	\$0.7	\$0.4	\$0.2	2
Retail Trade	\$7.1	\$4.4	\$1.7	62
Transportation & Warehousing	\$2.2	\$1.1	\$0.8	51
Information	\$0.6	\$0.3	\$0.0	1
Finance & Insurance	\$0.8	\$0.5	\$0.2	2
Real Estate	\$33.1	\$24.6	\$4.9	228
Professional Services	\$0.7	\$0.5	\$0.3	4
Management of Firms	\$0.0	\$0.0	\$0.0	0
Administrative & Waste Services	\$1.0	\$0.7	\$0.3	9
Educational Services	\$0.3	\$0.2	\$0.1	3
Health Services	\$1.4	\$0.9	\$0.4	9
Arts/Entertainment/Recreation	\$5.4	\$3.2	\$1.6	86
Accommodation	\$0.3	\$0.2	\$0.1	2
Food Services	\$17.9	\$9.4	\$4.3	195
Other Services	\$0.6	\$0.3	\$0.2	5
Households	N.A.	N.A.	\$0.1	3
Total Annual	\$75.2	\$48.2	\$15.8	675

Source: TXP, Inc.

Conclusions

STRs are an important and growing part of the North Carolina's tourism industry, especially in smaller markets that cater to leisure travelers. It is increasingly clear that in Brevard and Western North Carolina STR activity is serving to expand the lodging market by providing a complementary good: as STR revenues have climbed dramatically in the past few years, hotel occupancy rates and revenues (prior to the pandemic) have also continued to increase in the vast majority of local markets in North Carolina and across the nation. STRs serve a specific market - the casual leisure traveler. This traveler typically is interested in lodging options with amenities and geographic locations not fully satisfied by more traditional choices, a point especially emphasized during the pandemic. As a result, a region's overall travel and tourism industry activity, and the resulting local economic impact, today more than ever is increased by including STRs in the available lodging options.

Legal Disclaimer

TXP reserves the right to make changes, corrections and/or improvements at any time and without notice. In addition, TXP disclaims any and all liability for damages incurred directly or indirectly as a result of errors, omissions, or discrepancies. TXP disclaims any liability due to errors, omissions or discrepancies made by third parties whose material TXP relied on in good faith to produce the report.

Any statements involving matters of opinion or estimates, whether or not so expressly stated, are set forth as such and not as representations of fact, and no representation is made that such opinions or estimates will be realized. The information and expressions of opinion contained herein are subject to change without notice, and shall not, under any circumstances, create any implications that there has been no change or updates.

Housing Study

About RCLCO

Since 1967, RCLCO has been the “first call” for real estate developers, investors, the public sector, and non-real estate companies and organizations seeking strategic and tactical advice regarding property investment, planning, and development.

RCLCO leverages quantitative analytics and a strategic planning framework to provide end-to-end business planning and implementation solutions at an entity, portfolio, or project level. With the insights and experience gained over 50 years and thousands of projects—touching over \$5B of real estate activity each year—RCLCO brings success to all product types across the United States and around the world.

Learn more about RCLCO at www.RCLCO.com.

Report Authors

Project Director:

Todd LaRue, Managing Director

► P: (512) 215-3157 | E: TLARUE@RCLCO.COM

Cameron Pawelek, Principal

► P: (512) 212-7198 | E: CPAWELEK@RCLCO.COM

Additional Authors:

Tanner Reagle Associate

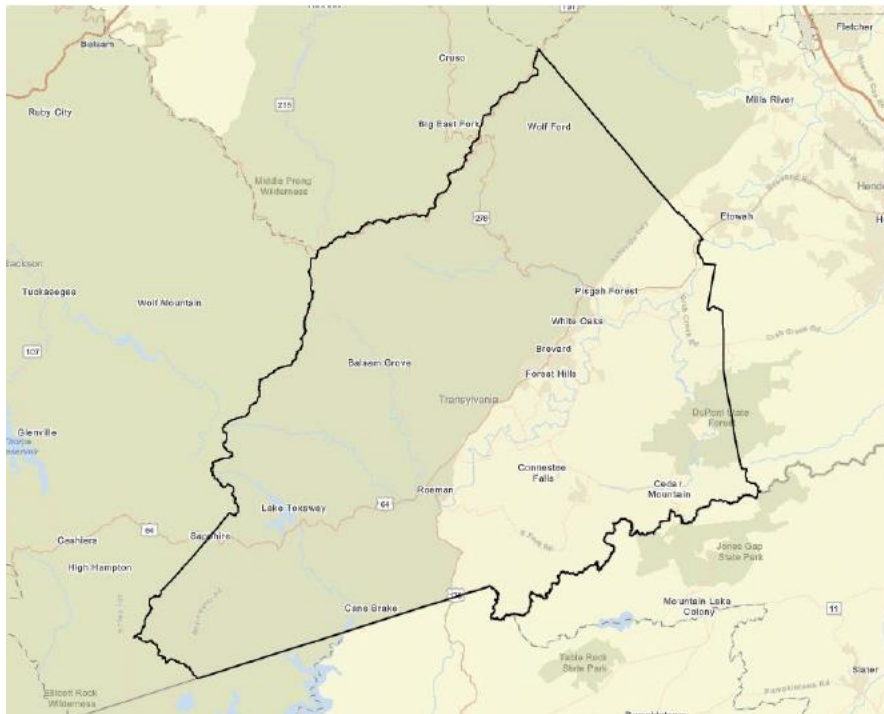


Housing Study Objectives

Smart City Policy Group has engaged RCLCO to complete a third-party analysis of the impact of short-term rentals (STRs) on the housing supply in Transylvania County, North Carolina. Given the introduction of STRs to the market in the early 2010s and corresponding rise in total listings, the specific objectives of this effort are as follows:

- ▶ Identify tourism trends and tax revenue in Transylvania County
- ▶ Assess housing supply statistics
- ▶ Evaluate STR supply characteristics, including occupancy and average daily rate trends
- ▶ Regarding how the STR market is impacting the housing supply, analyze concurrent home price appreciation, and compare the STR supply (number of bedrooms) to the dominant household types to get a sense of whether STRs are reducing housing supply for primary residences and contributing to rising prices.

Map of Subject Area; Transylvania County, NC



Key Findings

SHORT-TERM RENTALS ACCOUNT FOR A MINOR SHARE OF THE COUNTY'S OVERALL HOUSING STOCK, WITH LIMITED SIGNIFICANT CORRELATION BETWEEN STRS AND COUNTY HOME PRICES OR HOUSING INVENTORY

- ▶ Transylvania County, NC, heavily relies on tourism to sustain the local economy, workforce, and tax revenue. The regional economy experienced a downturn during the COVID-19 pandemic due to a decline in tourism, impacting employment and local tax generation.
- ▶ Before the COVID-19 pandemic, Transylvania County experienced limited growth throughout the 2010s, with muted employment and household growth.
- ▶ Despite continued household growth over the past decade, single-family and multifamily permitting for new construction have decreased sharply, contributing to the rapid appreciation of homes. The Transylvania County housing market is complex, with numerous variables contributing to the rise in home prices, though few variables substantially influence the overall housing market.
- ▶ The nation experienced one of the longest bull markets in history, contributing to growth and appreciation across many assets and sectors of the economy, including for-sale housing. Though many components of the national economy have increased over this period, few are significantly correlated.
- ▶ Short-term rentals represent a fraction of Transylvania County's total housing stock, representing an estimated 5% to 6% of total housing units. The small share of STRs limits the significance and impact STRs have on the region's housing supply. Since each housing market is unique, there is not a standard percentage representing a tipping point where STRs start to impact housing prices significantly. However, RCLCO's previous analyses of other markets show that markets with strong correlation between STRs and housing affordability tend to have considerably higher shares than Transylvania County.
- ▶ To help understand the impact that STRs have had on the local housing market, RCLCO conducted a detailed regression analysis of 14 variables, including demographic, economic, housing, and STR data points over the past four years, in which the data is available and reliable.

- ▶ Through the analysis, RCLCO discovered some but limited correlation between the performance of STRs and local housing prices in Transylvania County. While there was a positive correlation between STR inventory and housing prices, it was the only significantly correlated STR variable. Instead, the expansion of the national housing market (i.e., the general expansion of the national economy, housing markets, and the demographic tailwinds) and the general growth and popularity of the region (population, total housing units, and household incomes) demonstrated the highest correlation to home price increases across the region. Therefore, RCLCO concludes that there is limited causation between the STR and for-sale housing markets. A decade of under-building, as demonstrated through constrained permitting activity, favorable lending conditions over the past two years, and robust demographic tailwinds are the leading causes for the recent surge in housing prices, similar to the trends in the broader national housing market.
- ▶ New housing supply has not kept pace with housing demand; however, there is limited evidence of causation between the growing STR market (representing less than 6% of total housing stock) and the County's housing market. Instead, STRs have helped accommodate the expansion of the region's economy, contributing to employment, wage growth, and additional tax revenue. Transylvania County officials should work with regional and national experts to understand policies, mechanisms, and tools that can help accelerate the delivery of new housing, especially the delivery of more workforce and affordable housing across the County.

Regional Employment Dynamics

DESPITE STRONG JOB GAINS BETWEEN 2011-2019, EMPLOYMENT LEVELS REMAIN BELOW 2001 AND 2008 PEAKS; COVID-19 INDUCED CONTRACTION COULD HAVE LASTING IMPACTS ON THE REGIONAL ECONOMY

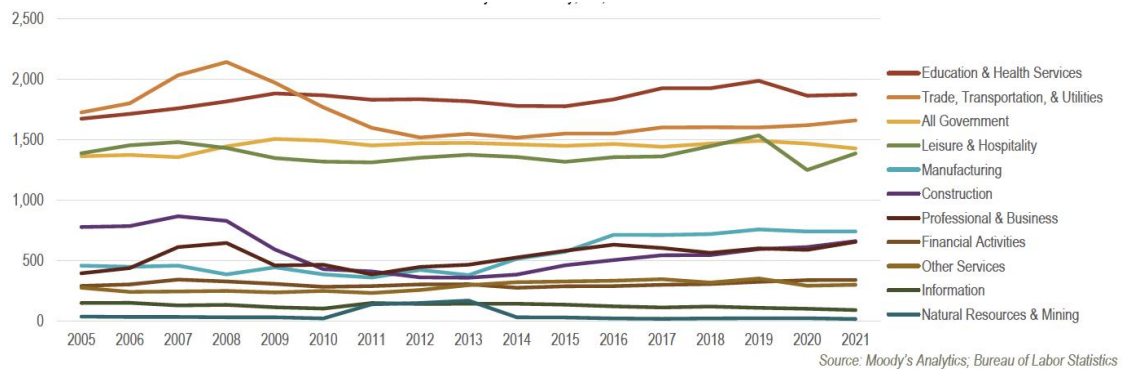
Transylvania County experienced positive employment growth between 2010 and 2019, adding 110 new jobs annually, fueled by the expansion of the region's manufacturing and leisure & hospitality sectors. The expansion of employment during this period elevated household growth and contributed to wage increases. Unfortunately, the COVID-19 pandemic disrupted in the region's key employment sectors of tourism & hospitality and education & health services, causing significant job losses. Moving forward, projections indicate a comparatively slow recovery relative to the nation. However, given the dynamic nature of the recovery, the region could outperform existing projections, especially if tourism demonstrates a rapid recovery.

Employment Growth and Distribution by Sector

Transylvania County, NC; 2010-2019

INDUSTRY	TOTAL GROWTH		AVG. ANNUAL		DISTRIB.
	#	%	#	%	TOTAL
Manufacturing	372	96%	41.33	7.8%	8.1%
Leisure and Hospitality	217	16%	24.11	1.7%	16.4%
Construction	165	38%	18.33	3.7%	6.3%
Prof. & Business Services	135	29%	15.00	2.9%	6.4%
Education and Health	120	6%	13.33	0.7%	21.2%
Other Services	103	41%	11.44	3.9%	3.8%
Financial Activities	41	14%	4.56	1.5%	3.5%
Information	5	5%	.56	0.5%	1.2%
Natural Resources & Mining	1	5%	.11	0.5%	0.2%
All Government	-2	0%	-.22	0.0%	15.9%
Trade, Transp., & Utilities	-167	-9%	-18.56	-1.1%	17.1%
TOTAL	990	12%	110.00	1.2%	100.0%

Total Employment by Sector Transylvania County, NC; 2005-2021



Population & Income

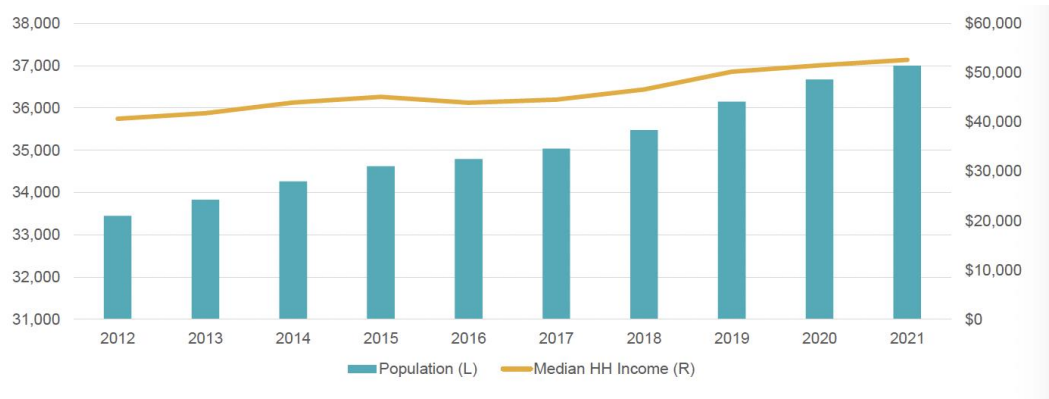
POPULATION AND MEDIAN INCOME IN TRANSYLVANIA COUNTY HAVE GROWN STEADILY

Transylvania County has experienced consistent population growth over the past decade. Between 2012 and 2021, Transylvania County averaged approximately 400 new people annually, with peak population growth of nearly 700 new people. The area's attractive quality of life and relative proximity to expensive coastal markets have contributed to the increasing appeal of the region. It is important to note that the County's population varies between 1% to 6% depending on the source. For this analysis RCLCO utilized Esri Business Analyst population estimates, which tend to be slightly more aggressive than other estimates but provide the most uniform historical time series.

Transylvania County residents have experienced income increases over the past decade, averaging 2.9% annually (adjusted for inflation). Esri estimates 2021 median household incomes in Transylvania County of \$52,600, up from \$40,700 in 2012. Economic growth between 2010 and 2019 and the in-migration of more affluent households have contributed to the increase in County household incomes.

Population and Median Household Income

Transylvania County, NC; 2012-2021



Source: Esri, ACS 5-Year Estimates, RCLCO

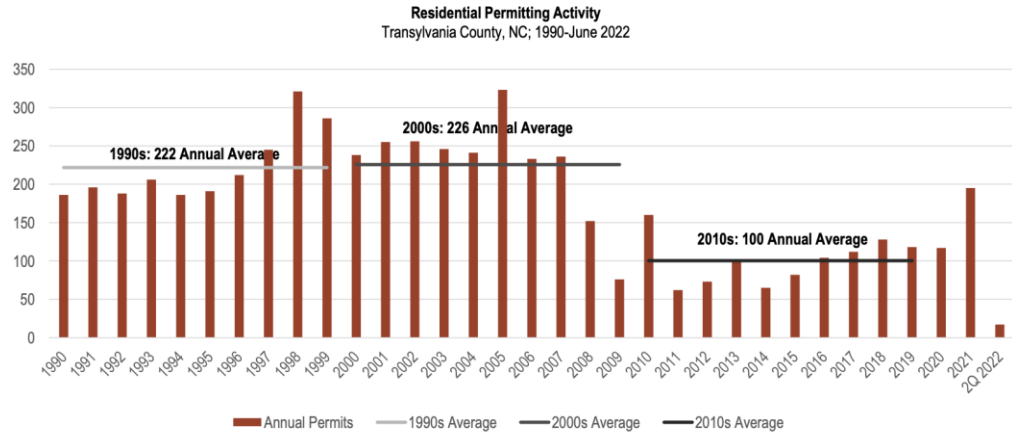
Permitting Activity

DESPITE SIMILAR POPULATION GROWTH IN THE 2010S AS THE 1990S AND 2000S, TRANSYLVANIA COUNTY IS BUILDING APPROXIMATELY 55% FEWER HOUSING UNITS, ANNUALLY

Similar to most regions across the United States, permitting activity and new housing construction in Transylvania County has lagged population and household growth. Despite relatively comparable growth rates in the 2000s and 2010s, the County issued approximately 56% fewer total housing permits, including single-family and multifamily properties. This underbuilding of housing has contributed to significant property and rent appreciation over the past 10 years. Though not reported to the U.S. Bureau of Housing and Urban Development, the county issued 117 permits in 2020, followed by 195 permits in 2021. Currently, approximately 58% of the County's housing stock is comprised of owner households, with the share of new owner households slightly declining with the growing affordability concerns.

Residential Permitting Activity

Transylvania County, NC; 1990-June 2022



Source: Transylvania County Zoning & Planning; U.S. Bureau for Housing and Urban Development

For-Sale Housing Trends

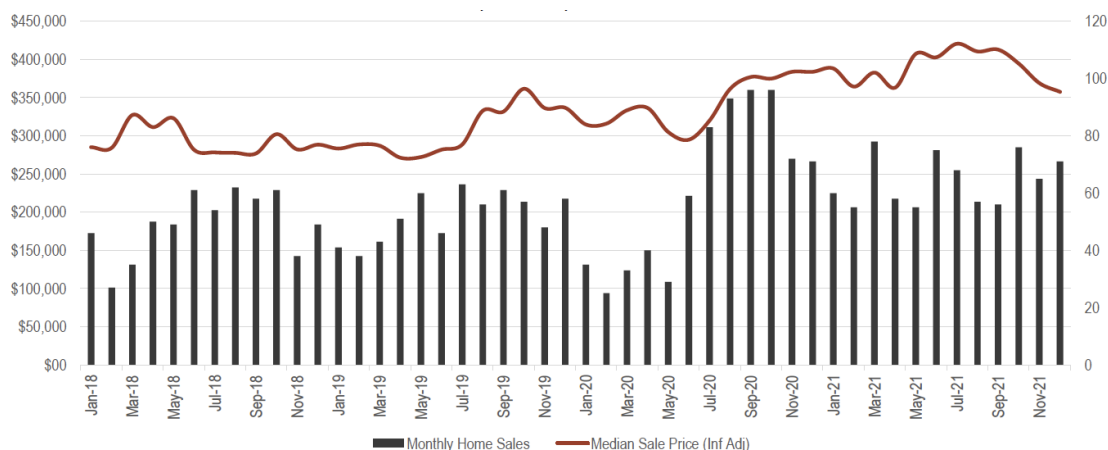
SINCE 2018, EXISTING HOMES IN TRANSYLVANIA COUNTY HAVE APPRECIATED BY APPROXIMATELY 10%, ANNUALLY

As referenced on the previous pages, strong population growth, wage growth, and limited new housing permits have contributed to appreciating home values across the County. Since 2018, existing homes have appreciated at a compound annual growth rate of approximately 10%. The County has a median sale price in 2021 of \$390,000 compared to roughly \$290,000 in 2018. Given the limited number of monthly transactions and significant housing quality variability, transaction prices vary monthly in Transylvania County. RCLCO utilized a trailing three-month average to help normalize the monthly data to control for sample size variation.

While home sales remained quite flat between 2018 and 2019, home sales have experienced a noticeable uptick since late 2Q 2020, with annual sales of 732 in 2020 and 774, compared to an average of below 606 between 2018 and 2019. In conjunction with the significant increase in home transactions, cumulative new permits in 2020 and 2021 were below historical averages, contributing to the tightening housing supply and declining months of inventory.

Existing Home Sales and Median Sale Price*

Transylvania County, NC; 2018-2021



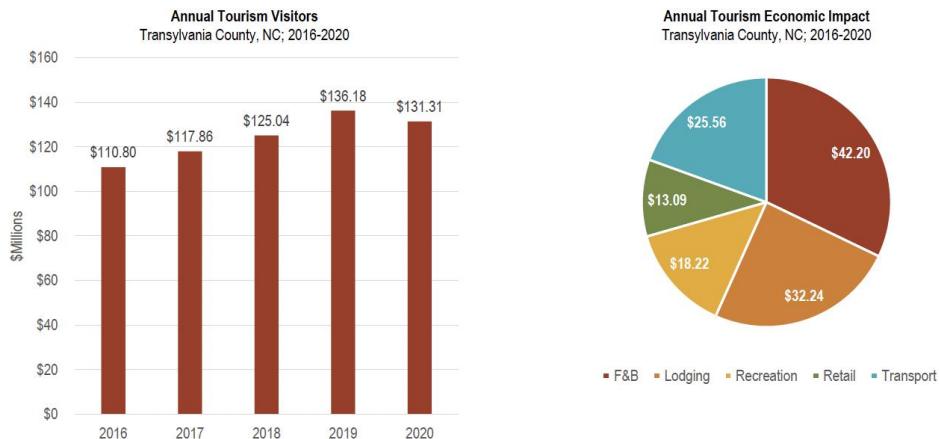
**Note: Median home sale prices adjusted for inflation and based on trailing three months of data*

Source: Association of Realtors; Redfin

Tourism Trends & Economic Impact

TOURISM HAS PLAYED AN INCREASINGLY CENTRAL ROLE IN THE TRANSYLVANIA COUNTY ECONOMY

The economic impact of tourism in Transylvania County had been steadily increasing prior to the onset of the Covid-19 pandemic. Despite significant job losses in the Leisure & Hospitality sector in 2020, the sector accounted for more than 15% of total County non-farm employment in 2021. The Food & Beverage category makes up the largest sector of tourism spending, with Lodging representing the second largest share. The success of the county's tourism industry, which is supported by the offering of short-term rentals, provides crucial tax revenue and employment opportunities for local jurisdictions and residents.



Source: Economic Development Partnership of North Carolina; RCLCO

Short-Term Rental Trends

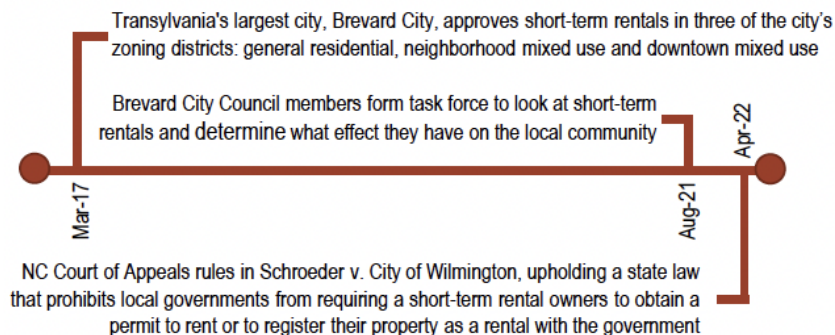
DESPITE A TEMPORARY DECLINE IN STR LISTINGS AT THE ONSET OF THE PANDEMIC, STR LISTINGS HAVE GROWN SINCE 2017 COINCIDING WITH INCREASED TOURISM

The inventory of short-term rentals has increased over the past five years with growing tourism in the region County and the rise of user-friendly STR platforms; however, many of the STRs are larger and more expensive homes that may otherwise sit vacant on the market as vacation homes. While STR occupancy trended sideways between 2017 and 2019, the significant interest in STRs during the pandemic drove outsized demand beginning in the summer of 2020. Elevated demand and fewer than 400 listings have contributed to increases in achievable ADRs among STR properties.

Based on a separate analysis of current STR listings across Transylvania County, RCLCO estimates STRs account for 5% to 6% of the County's total housing stock**.

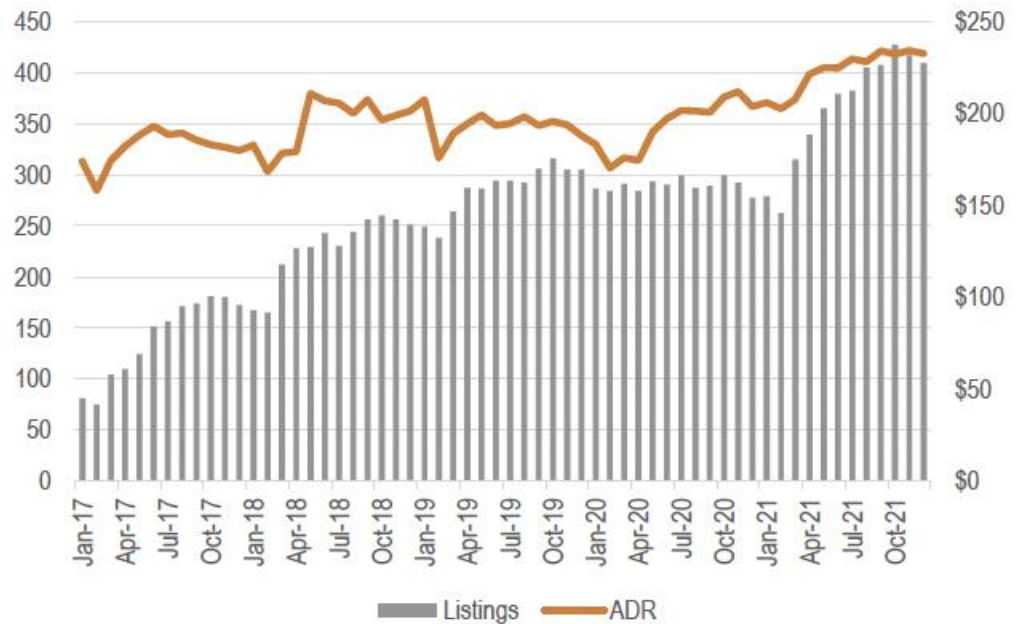
Timeline of Short-Term Rental Market Events

Transylvania County, NC; 2017-2022



Short-Term Rental Listings and ADRs

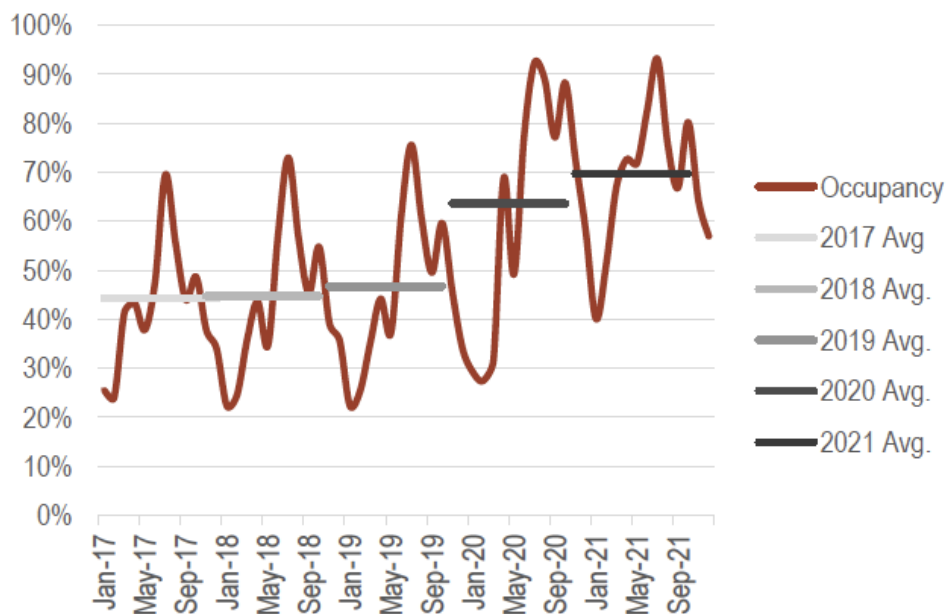
Brevard, NC; 2017-2021



Note: All dollar figures have been adjusted to 2021 USD.

Short-Term Rental Occupancy

Brevard, NC; 2017-2021



Source: Citizen Times; AirDNA; RCLCO

Note: While the correlation analysis is based on time series data for the Brevard, NC market, RCLCO calculated the estimated share of STRs present in all of Transylvania County in 2022 compared to 2022 estimated housing units.

Correlation Analysis Methodology

RCLCO utilized regression analyses to assess how STRs have impacted the for-sale housing marketing and, specifically, the median sales prices within Transylvania County. The research includes data from the following sources:

- ▶ **Esri and American Community Survey:** Demographic data regarding population, total housing units, and median household income. This data is provided annually; therefore, RCLCO converted the annual data into monthly data using linear growth rates.
- ▶ **S&P Dow Jones Indices and CoreLogic:** Case-Shiller US National Home Price Index and Consumer Price Index
- ▶ **AirDNA:** Data on entire-place STRs in the Brevard, NC market (including listings, average daily rates, occupancy) between January 2018 and December 2021. Data before June 2017 accounts for only Airbnb listings, whereas data after June 2017 on accounts for total listings across Airbnb and VRBO/Homeaway.
- ▶ **Canopy MLS:** Transylvania County monthly housing market data spanning January 2018 to March 2022. Data set includes: new listings, pending sales, closed sales, median sales price, average sale price, percent of original list, list to close, days on market, average list price, inventory of homes for sale, and months supply of inventory. Given the relatively small market size, monthly home prices tend to vary significantly; therefore RCLCO employed a trailing three-month approach to smooth noise in the data.

Due to data availability between sources, the regression analysis evaluates data between January 2018 through December 2021 to ensure data accuracy and consistency. Given the limited availability of historical data, the analysis spans four years, which RCLCO believes to be sufficient for the study. Given the limited concentration of institutional-grade rental properties, the rental housing market analysis was not analyzed.

To better understand the potential impact STRs have had on Transylvania County's for-sale housing market, RCLCO utilized a regression analysis, with all dollar variables adjusted for inflation. Then, RCLCO developed a correlation matrix to identify possible collinearity among the variables.

Correlation Matrix

SEVERAL VARIABLES HAVE HIGH COLLINEARITY WITH HOME PRICES AND HOUSING INVENTORY, THOUGH THE MARKET IS HIGHLY COMPLEX WITH MANY CONTRIBUTING FACTORS

The Transylvania County for-sale housing market is complex and several variables strongly correlate with median sale prices. The national housing market is the most highly correlated variable in the analysis, indicating that the Transylvania County housing market is experience many of the same headwinds (years of undersupplied housing) and tailwinds (robust housing demands) as the nation. Furthermore, the overall growth of the local market, illustrated by total housing units, population, and median household incomes, illustrates that prices are tied to the overall growth and popularity of the market. Other housing variables, such as for-sale housing inventory and months of supply, demonstrate a strong negative correlation, which is expected and driven by years of underbuilding. While there is a positive correlation between the median sale price and STR active listings, STR occupancy and ADRs are not strongly correlated, and there is limited evidence of causation between STR active listings and housing prices.

Correlation Matrix

Transylvania County and Brevard, NC; January 2018 – December 2021

VARIABLE (observations in dataset=48)	Median Sales Price	STR ADR	STR Occupancy	STR Active Listings	Total Housing Units	New Listings	Closed Sales	Days on Market Until Sale	Cumulative Days on Market Until Sale	Inventory of Homes for Sale	Months Supply of Inventory	Population	Case-Shiller National Home Price Index	Median Household Income
Median Sales Price	1.00													
STR ADR	0.41	1.00												
STR Occupancy	0.56	0.52	1.00											
STR Active Listings	0.71	0.53	0.58	1.00										
Total Housing Units	0.81	0.33	0.60	0.84	1.00									
New Listings	-0.23	0.20	0.35	-0.12	-0.22	1.00								
Closed Sales	0.50	0.55	0.75	0.41	0.47	0.26	1.00							
Days on Market Until Sale	-0.59	-0.66	-0.61	-0.71	-0.68	0.02	-0.50	1.00						
Cumulative Days on Market Until Sale	-0.66	-0.68	-0.60	-0.74	-0.66	0.10	-0.50	0.95	1.00					
Inventory of Homes for Sale	-0.87	-0.39	-0.51	-0.70	-0.90	0.28	-0.46	0.65	0.66	1.00				
Months Supply of Inventory	-0.88	-0.42	-0.53	-0.69	-0.89	0.25	-0.50	0.66	0.67	1.00	1.00			
Population	0.80	0.33	0.59	0.84	1.00	-0.22	0.47	-0.68	-0.66	-0.89	-0.88	1.00		
Case-Shiller National Home Price Index	0.83	0.56	0.54	0.88	0.86	-0.23	0.43	-0.76	-0.79	-0.90	-0.90	0.85	1.00	
Median Household Income	0.76	0.27	0.57	0.83	0.99	-0.22	0.44	-0.64	-0.62	-0.84	-0.83	0.99	0.81	1.00

Correlation Coefficient >0.70 or <-0.7

Note: For-sale housing data is for Transylvania County, while short-term rental trends are based on the AirDNA Bernard, NC market;
Source: Redfin, Esri, Bureau of Labor Statistics; U.S. Census Bureau; FRED; AirDNA; RCLCO

Disclaimers

Critical Assumptions

Our conclusions are based on our analysis of the information available from our own sources and from the client as of the date of this report. We assume that the information is correct, complete, and reliable.

We made certain assumptions about the future performance of the global, national, and local economy and real estate market, and on other factors similarly outside

either our control or that of the client. We analyzed trends and the information available to us in drawing these conclusions. However, given the fluid and dynamic nature of the economy and real estate markets, as well as the uncertainty surrounding particularly the near-term future, it is critical to monitor the economy and real estate markets continuously and to revisit the aforementioned conclusions periodically to ensure that they are reflective of changing market conditions.

It has become increasingly clear that the U.S. economy is in a recession, and yet the extent of the damage to the economy and the ability to rebound from a still unfolding disruption are unknown. These events underscore the notion that stable and moderate growth patterns are historically not sustainable over extended periods of time, the economy is cyclical, and real estate markets are typically highly sensitive to business cycles. Further, it is particularly difficult to predict inflection points, including when economic and real estate expansions will end, and when downturn conditions return to expansion.

Our analysis and recommendations are based on information available to us at the time of the writing of this report, including the likelihood of a downturn, length and duration, but it does not consider the potential impact of additional/future shocks on the national and/or local economy, and does not consider the potential benefits from major "booms" that may occur. Similarly, the analysis does not reflect the residual impact on the real estate market and the competitive environment of such a shock or boom. Also, it is important to note that it is difficult to predict changing consumer and market psychology. As such, we recommend the close monitoring of the economy and the marketplace, and updating this analysis as appropriate.

Further, any project and investment economics included in our analysis and reports should be "stress tested" to ensure that potential fluctuations in revenue and cost assumptions resulting from alternative scenarios regarding the economy and real estate market conditions will not cause unacceptable levels of risk or failure.

In addition, and unless stated otherwise in our analysis and reports, we assume that the following will occur in accordance with current expectations by market participants:

- ▶ Tax laws (i.e., property and income tax rates, deductibility of mortgage interest, and so forth)
- ▶ Availability and cost of capital and mortgage financing for real estate developers, owners and buyers

- ▶ Competitive supply (both active and future) will be delivered to the market as planned, and that a reasonable stream of supply offerings will satisfy real estate demand
- ▶ Major public works projects occur and are completed as planned

Should any of the above change, this analysis should be updated, with the conclusions reviewed accordingly (and possibly revised).

General Limiting Conditions

Reasonable efforts have been made to ensure that the data contained in this study reflect accurate and timely information and are believed to be reliable. This study is based on estimates, assumptions, and other information developed by RCLCO from its independent research effort, general knowledge of the industry, and consultations with the client and its representatives. No responsibility is assumed for inaccuracies in reporting by the client, its agent, and representatives or in any other data source used in preparing or presenting this study. This report is based on information that to our knowledge was current as of the date of this report, and RCLCO has not undertaken any update of its research effort since such date.

Our report may contain prospective financial information, estimates, or opinions that represent our view of reasonable expectations at a particular time, but such information, estimates, or opinions are not offered as predictions or assurances that a particular level of income or profit will be achieved, that particular events will occur, or that a particular price will be offered or accepted. Actual results achieved during the period covered by our prospective financial analysis may vary from those described in our report, and the variations may be material. Therefore, no warranty or representation is made by RCLCO that any of the projected values or results contained in this study will be achieved.

Possession of this study does not carry with it the right of publication thereof or to use the name of "Robert Charles Lesser & Co." or "RCLCO" in any manner without first obtaining the prior written consent of RCLCO. No abstracting, excerpting, or summarization of this study may be made without first obtaining the prior written consent of RCLCO. This report is not to be used in conjunction with any public or private offering of securities or other similar purpose where it may be relied upon to any degree by any person other than the client without first obtaining the prior written consent of RCLCO. This study may not be used for any purpose other than that for which it is prepared or for which prior written consent has first been obtained from RCLCO.

SHORT-TERM RENTAL SURVEY

Dr. Annelise Hagedorn



EXECUTIVE SUMMARY

In Fall of 2022, a survey of 500 residents of the City of Brevard was undertaken. Two hundred and sixty residents responded to the survey (a 52 percent response rate), and the results of their responses are presented in this report.

For the key question of this study “Should the City of Brevard adopt policies to protect or curtail STRs?” the most popular response was “Yes- Curtail STRs” (50 percent).

In other open-ended responses, the nuances of who is impacted by STRs were explored by respondents who acknowledged experiences of investors in STRs, visitors, and residents who live, work, and seek housing in Brevard. Affordability and availability of housing for working residents of Brevard to rent long-term or purchase was a common theme.

OVERVIEW OF THE PURPOSE OF THE STUDY

In Fall of 2021, a resolution established the Short-Term Rental Task Force to “obtain data on short-term rentals in the City of Brevard, assess positive and negative impacts of short-term rentals and provide recommendations to the City Council for consideration”.

Short-Term Rentals (STRs)

The task force wanted to better understand short term rentals in the City of Brevard. As defined by the City, “A short-term rental (STR) is a private residential property that is rented, in whole or part, for periods of less than 30 days for compensation.” Short term rentals are highly contested and have received public attention. There are different opinions about how to define the problem, the solutions, and the public’s involvement in those processes.

Influences to Opinions on STRs

There are many experiences and elements of the context that could influence residents’ opinions about short-term rentals in Brevard. Some influences that the task force wanted to explore include: owning an STR or having a financial stake in them (perhaps through employment), living near to an STR, using an STR in Brevard or other locations, renting a home, and age.

METHODS

Sunny Side Consulting LLC was hired in Summer 2022 to create and conduct a representative survey of City residents which would provide insight into the public’s views and experiences with short-term rentals. Systematic research could help the task force understand the public’s views on short term rentals, and know that the results were more representative than general polling.

This study uses data from 260 respondents.

Participant Selection:

This study was intended to better understand the experiences and thoughts of *residents* of the City of Brevard. To compile a sampling frame, addresses of all who receive city utilities and voter registration addresses were collected. The utilities addresses were then sorted to exclude addresses where the location of the utilities service and the billing address did not match, with the exception of addresses where the billing address was a PO box within Transylvania County. This was intended to narrow the remaining list to *residents*- people who were living at the address enough to receive the bill to that address. Addresses to businesses, churches, or to residences in the extra-territorial jurisdiction were also excluded. After this initial sorting, any address that had been initially excluded but then matched a voter address was added back into the sampling frame. Voter registration indicates a resident who lives at the address, so even if their utilities bill did not go to the location of the utility service, their status as a registered voter indicates that they are a resident. The final sampling frame included 2767 addresses.

A random sample of 500 addresses was taken from this sampling frame using a random number generator. This means that each address had the same chance of being selected. Each address was assigned a random four-digit access code for entering the online survey, and access codes were checked for duplicates. Addresses were mapped and visually examined for representation of all parts of the city.

Survey Design:

The survey questionnaire was created through an iterative process with task force members. With members' input, 22 questions were selected for the survey. The survey was created online, and contained multiple choice and three short-answer questions about their experiences with short-term rentals in Brevard and their opinions.

The short-answer questions allow for better understanding of how and why Brevard residents are formulating their opinions and understanding their experiences with STRs. This is particularly important when social groups disagree about the causes or consequences of experiences that are important to them.

Data Collection

This survey used a three-step process of inviting participation from each of the 500 addresses. Mixed-modes of contact, where participants are contacted in multiple ways, can improve response rates. The data collection process roughly followed Dillman's Tailored Design Method.

First participants were mailed an invitation letter with a one-dollar incentive. Previous research suggests that monetary incentive is an effective way to boost participation, and that one dollar is enough. The invitation letter was printed on City of Brevard stationary and mailed in a City of Brevard envelope. The invitation explained the purpose of the study, asked for their participation, and provided the link to the online survey and their unique access code.

Next, after checking which access codes had not yet been used a second invitation letter was mailed to addresses that had not yet completed the online survey. This invitation letter did not include a monetary incentive.

Finally, remaining residences that had not yet completed the survey were visited by researchers in a door-to-door invitation effort on December 3 and 4 of 2022. Teams of two researchers visited the address and asked the resident to participate in the survey. This effort also included the option to complete the survey on paper.

Upon closing the survey on December 15, the results in this report come from 260 responses. This is a 52% response rate. While not part of this report, after data collection was completed, the online survey was opened to the public to solicit feedback from all interested stakeholders.

RESULTS: CHARACTERISTICS OF RESPONDENTS

This section describes some of the characteristics of the 260 respondents who participated in the study, including information on their residence, the people who live with them, and demographic characteristics. See Table 1 (continued on page 5) for these results.

Most respondents lived full-time at this residence. Most often they lived in one-family homes that are detached from any other house, and most residences were owned by the respondent or someone in their household. However, 17 percent of respondents rented their homes. Renters and homeowners also often lived with at least one other adult or child.

Respondents were predominantly White, more than half were women, and almost all had educational attainment beyond a high school degree. This is quite representative of US Census estimates for Brevard.

The median age of respondents was 65 years old. Almost half of respondents reported their employment status as “retired”.

The census estimates that in 2021 the median household income for Brevard was \$46,058, which helped inform the creation of the income categories for the survey. Incomes appear to be somewhat higher for respondents, but almost one-quarter chose to select “prefer not to answer” or skip the question.

Table 1: Descriptive Information About Respondents		
	Percent	Count
Residence Information		
A one family house detached from any other house	85%	220
Owned by you or by someone in your household	82%	211
Rented by you	17%	44
Full-time resident	98%	254
Average monthly housing cost	\$828	
Median monthly housing cost	\$800	

Persons per household		
No other adult lives with respondent	25%	62
One other adult lives with respondent	48%	119
Two or more other adults live with respondent	27%	67
Households with a child living with you	19%	46
Race/Ethnicity		
White	86%	208
Black	2%	5
Hispanic, Latinx	1%	2
American Indian	1%	2
Other	2%	5
Prefer not to answer	9%	21
Sex		
Female	55%	135
Male	37%	90
Non-binary	0%	1
Prefer not to say	7%	18
Age		
Average	61 years	
Median	65 years	
Education		
Did not graduate from high school	2%	4
High school graduate or GED	7%	16
Some college, associates degree, technical/trade school, or other post-high school education	25%	60
Completed a bachelor's degree	31%	74
Graduate work or graduate degree	37%	89
Household Income		
Under \$17,000	2%	5
\$17000-\$46999	20%	48
\$47000-\$99999	32%	76
\$100000-\$199999	18%	44
\$200000 or more	7%	16
Prefer not to answer	21%	50
Employment Status		
Retired	47%	118
Employed/Self-Employed Full Time	34%	85
Employed/Self-Employed Part Time	8%	20
Disabled	5%	13
Unemployed	2%	6
Other	3%	8

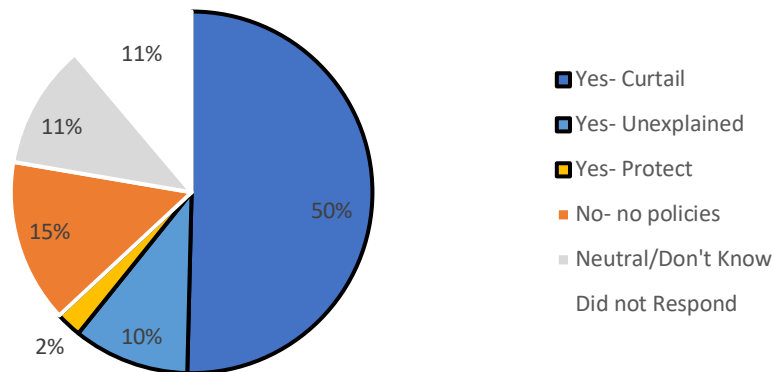
(Table 1 continued)

RESULTS: SHOULD THE CITY OF BREVARD ADOPT POLICIES TO PROTECT OR CURTAIL STRS?

Overall, 63 percent of respondents (164 people) wrote that the City of Brevard *should* adopt policies related to short-term rentals. Sometimes the response was a simple “Yes” without explanation. Most of the time, responses included further explanation which helped explain if their yes was indicating support for policies that protect or policies that curtail STRs. There is clearly support for the city to take action.

Table 2: Should the City of Brevard adopt policies to protect or curtail STRs?		
	Percent	Respondents
Yes	63%	164
“Yes” - unexplained	10%	27
“Yes”-Curtail STRs	50%	131
“Yes”- Protect STRs	2%	6
No- No policies	15%	38
Neutral/Don’t Know	11%	29

Figure 1: Should the City of Brevard adopt policies to protect or curtail STRs? (All 260 respondents)



Two hundred and thirty one people responded to this question. The percentages in Table 2 and Figure 1 include that 11 percent of the overall participants are missing from this response. Sixty three percent of respondents to this question wrote in favor of policy creation, while 15 percent (38 people) were not in favor of any policies. Around 11 percent of respondents (29 people) wrote that they did not know, did not care, or were neutral about the decision to create policies about STRs. An additional 11 percent of survey respondents did not answer this question.

While the response of “Yes” without explanation indicates that the respondent is in favor of policy creation, it does not indicate what kinds of policies should be created or if those policies should act to protect or to curtail STRs. All responses of “yes” to overall policy creation are outlined in black on the graph. The responses that included explanation provide more insight into answering the key question guiding this task force.

If we are to only examine those who responded to the question (231 people), support for policies to curtail increases to 57 percent, while other categories change only slightly (yes-unexplained: 12 percent, protect: 3 percent, no policies: 16 percent, and neutral/don't know: 12 percent).

Yes- Curtail STRs: 50% (131 responses)

The most popular response was “Yes- Curtail STRs”. Most of these responses offered lengthy explanations for their reasoning or suggestions for particular policies. Many respondents offered specific suggestions for policies they would like to see the City of Brevard adopt to curtail STRs. This report will not comment on the feasibility or legality of specific policy suggestions. However, by analyzing the suggestions that were made, we can interpret the specific aspects of STRs that are of interest to respondents.

Among the explanations for their reasoning, many respondents cited concerns for affordable housing. These respondents made a connection between lack of affordable housing options in the community and increasing STR listings. An example response:

“I believe SOMETHING should be in place to prevent the town from being taken over by STRs. We have hotels. What we need is affordable rentals for locals. Those who were born or raised here are having a hard time finding/being able to afford to live here. We love our tourists but it seems that the rental market caters more to those who visit than those who live in and contribute to our beautiful town.”

Among the specific policy suggestions that discussed affordable housing many offered both “carrots” and “sticks” or suggestions to incentivize long-term rentals at affordable rates and discourage the decision to rent a home short-term.

“Should not protect. Possibly levy taxes to deincentivize properties being short term rentals as opposed to long term. Maybe incentivize long term rentals.”

“Curtail short-term rentals. Replace with affordable housing for people who are working in Brevard or for seniors who want to age in place and enjoy the ability to walk everywhere. Support housing initiatives that foster community.”

Policy suggestions that emphasized regulation and limits of STR listings in neighborhoods might suggest concerns for the character of the neighborhood or everyday living experiences. Some were specific about their own neighbors, while others offered multiple broad suggestions. For example:

“Curtail. They should be licensed, regulated, and taxed. Limits should be established on the number per neighborhood.”

A popular policy suggestion was to curtail based on STR owners’ residence. This reflected a concern for outsider influence, or outsider ownership of STRs. Some respondents implied that outsider ownership was associated with multiple STR listings, and less investment in the economic and/or social aspects of

the community. Ownership of STRs by individuals who live in Brevard were seen in a less negative light for the same reasons: that these owners might have fewer listings and more investment in the community.

"Yes. There should be limits set in place with permitting. You should not be able to earn income from a STR in Brevard unless you live here full time and are contributing to our local economy. The property owners that do not even live here but used the Covid timeframe to purchase real estate and set up STR are benefitting from our infrastructure without contributing to it."

Yes- Protect STRs: 2% (6 responses)

A very small minority of the people who were interested in adopting policies wanted policies to protect STRs, just 2 percent. Most of these responses mentioned that in a town with a large tourist population there is a large demand for places for the tourists to stay during their visit. One respondent wrote:

"I believe they should be protected as they are meeting a need and I feel the owners should have the right to earn this income providing this service."

No- No policies should be put into place: 15% (38 responses)

Almost one-fifth of respondents believed that the City of Brevard should not adopt any policies about STRs. Some of the concerns mentioned were that property owners should make their own decisions about how to use their own homes. For example:

"No. Property owners should be the decision makers when it comes to what they can do with their property. The city should not weigh in either way with this issue."

Others expressed broader distaste for regulations or government action, which could be generally applied to the question about STRs:

"I do not favor government intervention of any kind."

A few of the responses also expressed concern for future legal action against potential policies that might be adopted.

"Absolutely not. For one there will be law suits. loss of tax revenue, and a large drop in tourists. Brevard is tourists town and you must have options for people to stay or they will go to Mills River, Hendersonville, Waynesville... They will come hike bike and leave they will not go shower and come back to Brevard. They will stay and eat and shop near there STR. Also, it's small business people you are hurting that's who owns STR. People who live love and spend in this community. It's absolutely a joke you are even questioning this, while you allow that awful looking eye soar City Camper to build."

Why don't you spend your time looking into what they have done in others city's with there so called resorts. Total trash after five years."

Neutral/Don't Know: 11% (29 responses)

Some respondents simply wrote "Don't Know", "No Opinion", or otherwise indicated that they did not have an opinion on the matter. In a few cases, part of the written response indicated support for a policy and another part indicated not supporting policy creation. Without clear direction, these kinds of responses were included in this category rather than making assumptions about the main intent of the response. Responses that were questions were also included here.

RESULTS: WHAT IS YOUR CONNECTION TO STRS IN BREVARD?

There are many ways that respondents described their connection (or lack of connection) to short-term rentals in Brevard (see Table 3). Respondents could select all connections that they felt applied to their situation. The most common response was "I am a community member". While a vague statement, this allowed respondents who may not have related to any of the other options to feel they had a response option that expressed some part of their experience in Brevard.

Notably, 19 people, or 7 percent of respondents are owners of short-term rentals. Their experiences are explored in more detail on page 13.

Additionally, 32 percent of respondents (82 people) state that they are neighbors with short-term rentals. Ninety-two respondents reported staying in an STR, either in Brevard (29 responses), in another location (82 responses) or both. There were overlaps between categories, since respondents could select more than one. For example, five of the people who owned short-term rentals also reported they were neighbors with an STR, and five people who reported that they did not feel connected to STRs also reported that they were neighbors with an STR.

Table 3: What is your connection to STRs in Brevard?		
	Percent	Count
I am a community member	51%	130
I have stayed in a STR in another location	34%	86
I am neighbors with a STR	32%	82
I do not feel connected with STRs	27%	68
My family/friends stay in STRs when they visit Brevard	16%	42
I have stayed in a STR in Brevard	12%	31
I own a STR in Brevard	7%	19
I am considering becoming an owner/operator of a STR in Brevard	4%	11
Other	4%	11
I am employed in the broader tourism/hospitality industry	2%	4
I am employed in a field directly related to STRs	1%	3
I am employed to manage a STR	1%	2

There were not many respondents who had a financial stake in STRs through their employment, such as employment in the broader hospitality industry, managing an STR, or employment in a field directly

related to STRs (such as housekeeping or maintenance of the STR). Eleven people reported considering becoming an owner/operator of an STR in Brevard, so perhaps financial connections to STRs may grow in the future.

RESULTS BY DIFFERENT SUBGROUPS:

It is interesting to consider how responses to the key question, “Should the City of Brevard adopt policies to protect or curtail STRs?” may differ by experiences or identities of different subgroups of respondents. To better understand this, this report separates responses by a number of key subgroups: short-term rental owners, respondents who reported being neighbors to short-term rentals, people who have stayed in a short-term rental in Brevard or elsewhere, people who rent their residences, and adults age 65 and older and those who are younger than 65 (called “younger adult”).

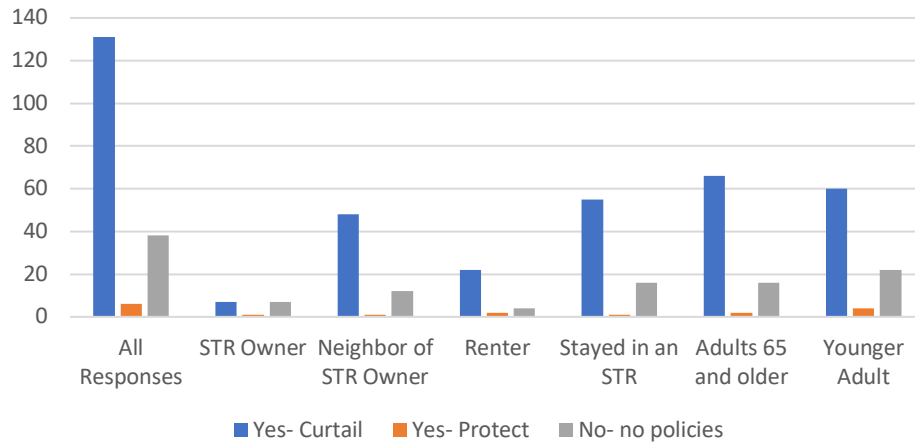
Three questions were examined by these subgroups: “Should the City of Brevard adopt policies to protect or curtail STRs?”, “Do you believe that living next to or near a short-term rental impacts your own property value?”, and “How would you feel having a short-term rental (or rentals) as your neighbor(s)?”. Results are presented in Tables 4, 5, and 6 as well as Figures 2, 3, and 4, and all include the comparison to all responses for reference.

For the key question, “Should the City of Brevard adopt policies to protect or curtail STRs?”, the three main responses were compared “Yes- Curtail”, “Yes- Protect” and “No- No policies”. Responses of “Neutral/Don’t Know” and “Yes” without explanation were not included, since these responses cannot be interpreted clearly.

As can be seen in Figure 2, for every subcategory except one, the most popular response was “Yes- Curtail”. Neighbors of STRs, renters, people who had stayed in an STR before, and people of all ages were in favor of policies that would curtail STRs in Brevard. Interestingly, even owners of STRs in Brevard were evenly split on the issue.

Table 4: Should the City of Brevard adopt policies to protect or curtail STRs?			
	Yes- Curtail	Yes- Protect	No- no policies
All Responses	131	6	38
STR Owner	7	1	7
Neighbor of STR Owner	48	1	12
Renter	22	2	4
Stayed in an STR	55	1	16
Adults 65 and older	66	2	16
Younger Adult	60	4	22

Figure 2: Should the City of Brevard adopt policies to protect or curtail STRs?



Discussions of property values can be vague because the implications of positive or negative impacts can be interpreted widely. For some, increasing property values are viewed as increases to an asset that could potentially be liquidated (upon the sale of the property) for monetary gain. For others, increasing property values are viewed negatively when the increase is accompanied by higher taxes and no intention to sell in the future. Relationships between increased property values and gentrification has been well documented in academic research. Decreasing property values can also be seen in a positive or negative light. The actual monetary effect of STRs on property values is outside the scope of this study. However, understanding residents' opinions about property values can help clarify the context of their other opinions.

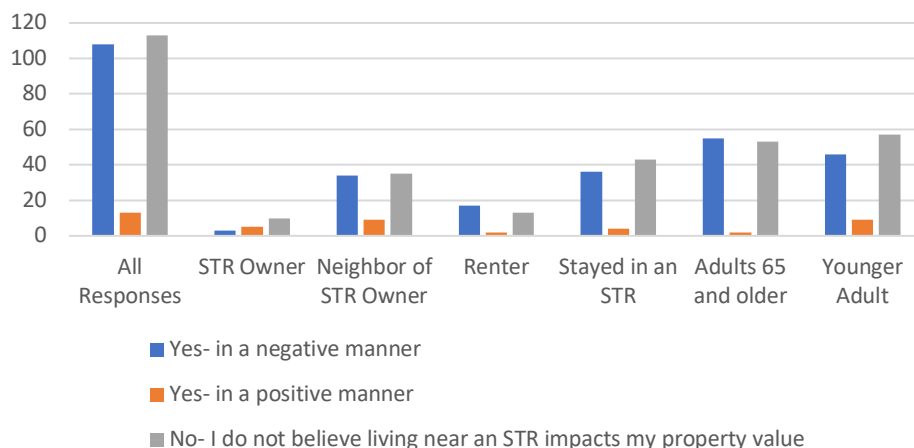
Table 5: Do you believe that living next to or near a short-term rental impacts your own property value?

	Yes- in a negative manner	Yes- in a positive manner	No- I do not believe living near an STR impacts my property value
All Responses	108	13	113
STR Owner	3	5	10
Neighbor of STR Owner	34	9	35
Renter	17	2	13
Stayed in an STR	36	4	43
Adults 65 and older	55	2	53
Younger Adult	46	9	57

Respondents to this survey had mixed opinions about the effect of living near STRs on their own property values. Overall, almost half believed that living next to or near an STR did not impact their own property value. Among those who did believe that it impacted their property value, most believed that impact was negative. Very few reported a belief that living next or near an STR positively impacted their property value. Short term rental owners expressed a slightly different pattern, with most believing there was no impact, and among those who did believe it had an impact 2 more believed it would be

positive than negative. Again, how respondents interpreted positive or negative impact (as increasing or decreasing their property value and how they feel about that impact) could vary

Figure 3: Do you believe that living next to or near a short-term rental impacts your own property value?

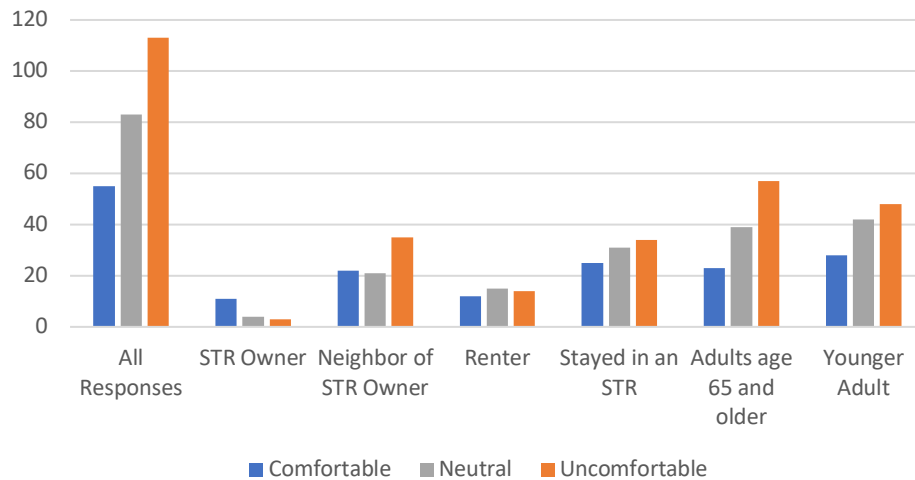


Respondents were asked how they would feel having a short-term rental (or rentals) as their neighbor(s), and could respond from “Very Comfortable” to “Very Uncomfortable” on a five point scale which is presented in the table. Figure 4 collapses “very comfortable” and “comfortable” into one category, and “very uncomfortable” and “uncomfortable” into one category to clarify interpretation.

Table 6: How would you feel having a short-term rental (or rentals) as your neighbor(s)?					
	Very comfortable	Moderately Comfortable	Neutral	Moderately Uncomfortable	Very Uncomfortable
All Responses	29	26	83	67	46
STR Owner	11	0	4	1	2
Neighbor of STR Owner	11	11	21	25	10
Renter	5	7	15	8	6
Stayed in an STR	15	10	31	24	10
Adults 65 and older	10	13	39	31	26
Younger Adult	17	11	42	34	14

While overall results suggest that there is generally a greater discomfort with having an STR as a neighbor than being comfortable with it, the results by subcategories are a little more nuanced. STR owners are the only subgroup that reports greater comfort than discomfort with having an STR as a neighbor. People who are neighbors with an STR and people who are over 65 years old had clearly greater discomfort than comfort with the possibility of an STR neighbor. Younger adults and those who had stayed in an STR also reported greater discomfort than comfort, but also regularly reported feeling neutral. Renters’ most common response was neutral.

Figure 4: How would you feel having a short-term rental (or rentals) as your neighbor(s)?



RESULTS FOR STR OWNERS

Among the 261 respondents, 19 identified as owners of short-term rentals. Upon indicating that they owned an STR, these respondents were asked four additional questions. Characteristics of STR owners who are residents of Brevard are explored in Table 7 on page 14.

Short-term rental owners reported connections to STRs in ways outside of their ownership including staying in STRs in other locations and in Brevard, lodging their friends/family in STRs when they visit, and living next to an STR. Like overall responses, it was common for STR owners to report being a community member.

STR owners differed on some demographic characteristics from overall responses, but often were like the overall responses to this survey. STR owners reported higher incomes, with only one reporting an income at or below the median for Brevard. They also reported higher median housing costs. Most report employment, and like overall respondents they report high levels of education. Slightly more men than women reported STR ownership. All STR owners reported their race/ethnicity as White or preferred not to answer, and reported ages slightly lower than the median overall response.

All STR owners lived in one-family houses detached from other houses, and that home was owned by them or a member of their household. All STR owners who responded to this survey were full-time residents of Brevard. Since this survey is of residents of Brevard, this makes sense, but may not represent the experiences of all STR owners in Brevard.

Table 7: Owners of STRS	
	Count
Additional responses to connections to STRs in Brevard	
I am a community member	9
I am neighbors with an STR	5
I am considering becoming an owner/operator of an STR	1
I am employed in a field directly related to STRs	0
I am employed in the broader hospitality/tourism industry	1
I am employed to manage STRs	1
I have stayed in an STR in Brevard	6
I have stayed in an STR in another location	9
My family/friends stay in STRs when they visit me in Brevard	8
Income	
Income below \$47,000	1
Preferred not to answer	6
Employment	
Employed full time	10
Employed part time	1
Retired	4
Disabled	1
Other	1
Education	
Did not graduate from high school	1
High school graduate or GED	1
Some college, associates degree, technical/trade school, or other post-high school education	3
Completed a bachelor's degree	7
Graduate work or graduate degree	5
Sex	
Female	7
Male	8
Prefer not to answer	2
Race/Ethnicity	
White	16
Prefer not to answer	1
Monthly Housing Payment	
Median Monthly Housing Payment	\$1050
Age	
Under 65	11
Over 65	6
Median age	60 years

Short-term rental owners were asked to describe their STR in two ways. Most reported managing/hosting the STR themselves. Most also reported that they do not live at the property that they rent short-term. None reported living seasonally at the STR.

Figure 5: If you own a short-term rental, which of these statements most accurately describes your STR?

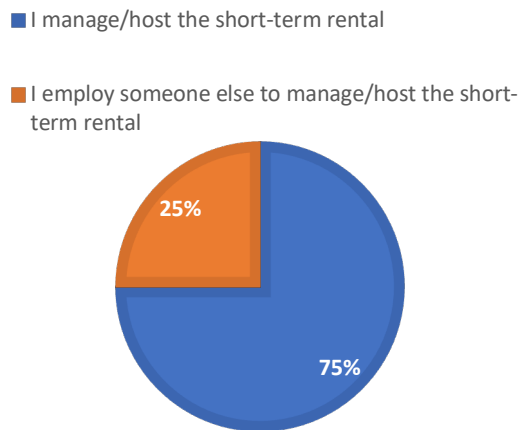
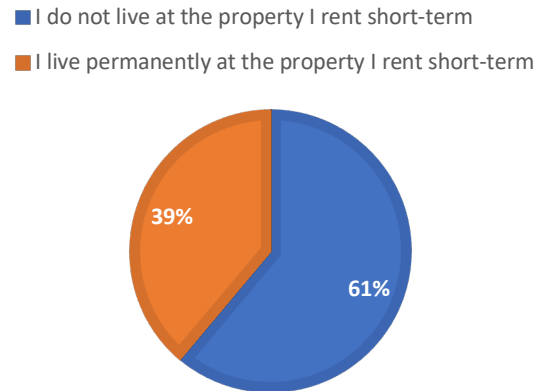


Figure 6: If you own a short-term rental, which of these statements most accurately describes your STR?



Thirteen of the respondents reported owning 1 STR. Two people reported owning 2, one person reported owning 3, no respondent owned 4, and one owned 5 or more. Owners were asked what kind of STR they owned, and could check all that applied. Most owned detached single family homes.

Figure 7: How many short-term rentals do you own?

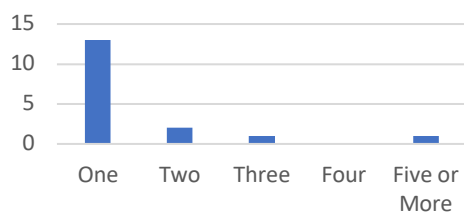


Table 8: if you own a short-term rental, what kind(s) do you own?	
	Count
Detached single-family home	7
Room, suite, garage apartment	4
Secondary house, cottage, cabin, ADU	3
Attached single-family home, townhome, row home, duplex, triplex	1
Apartment or condominium	0
Other	1

OTHER RESULTS

The survey also asked for respondents' opinions to two other open-ended questions: "In the past 5 years, what have you noticed about short-term rentals in Brevard?" and "Brevard residents vary in their views on short-term rentals. What are your views?". Both questions were intentionally open and somewhat vague, so that respondents could feel free to express any opinions and share any experiences that they wanted noted in the survey.

For the first question, "In the past 5 years, what have you noticed about short-term rentals in Brevard?" there were 207 responses. Among those, 136 responses stated that they noticed the number of short-term rentals in Brevard is growing. This was by far the most common response.

"There are more all the time"

Sometimes this observation was accompanied by descriptions of their experiences with short-term rentals near to their residences. Other responses cited their observation as rooted in larger discussions of housing in Brevard, or increased tourism.

"A family in my neighborhood was evicted from a rental property when a new owner bought the house and turned it into a short term rental. They were not able to find another house to rent in the area for a comparable amount to what they were paying previously. Another out of town individual purchased a home near me and tore it down and built 2 homes on the same lot, one of which is a short term rental. The houses are very close together, and in my opinion, unattractive. A third property in the neighborhood was purchased and a short term rental built in what was the side yard of the original house. That house is closer to the road and out of scale with the neighboring homes."

There were a variety of other things people noticed, or noticed in addition to mentioning growth in the number of STRs. Forty-eight responses included a reference to affordable housing. Many of those also commented on housing (in general) being too expensive.

"There's too many of them, leaving no room for people to live here, and driving up prices of homes to live in or rent long term."

Seventeen stated that they did not know much about STRs, or had moved to Brevard recently and did not feel informed enough to comment.

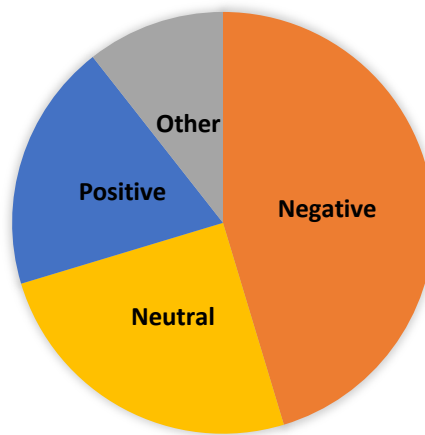
Thirteen pointed out positive influences of STRs that they noticed.

It's a great opportunity to make extra income and drives more tourists to the city. It gives tourists, family, and friends a place to stay. They love not staying in hotel. I get neighbors who want to rent it all the time for family members so they can be close.

For the second question, "Brevard residents vary in their views on short-term rentals. What are your views?" there were 236 responses. Of those responses most were negative (107 negative responses), 45 were positive, and 59 were neutral or offered both positive and negative aspects. (Others replied with "don't know", etc.) The classification of positive or negative does not necessitate a strong like or dislike of STRs, though many responses did state very clear preferences. Sometimes positive responses said "I'm ok with it" or "They don't bother me" or negative responses included "I would rather not have them in Brevard in the residential neighborhoods".

Many offered nuanced perspectives citing positive and negative aspects of STRs. They cited personal experiences and overall views. Sometimes both positive and negative aspects were discussed, and then the respondent summarized their overall opinion as "negative" or "positive". Other times, they discussed both positive and negative aspects without stating an overall opinion—these were classified in the "neutral" category. Interestingly, when both positive and negative aspects were discussed, they often followed patterned ways of describing the positives and negatives.

Figure 8: Brevard residents vary in their views on STRs.
What are your views?



"As a tourist destination, STRs provided needed accommodation for those who come here. As a community, they may be detrimental to residential housing stock. I have no idea how to balance those opposing interests."

"I feel that STR bring in needed income for owners but they also take away affordable housing options for low income households."

For positive aspects of STRs, the most commonly cited opinions or experiences were related to *visitors* having a good experience in Brevard. STRs were cited as preferred vacation destinations to hotels, or were seen as a necessary supplement to limited availability in hotel offerings.

The second most common description of STRs in a positive manner was that STRs were positive for the *investors* who have decided to own an STR. People empathetically described their support for individual decision-making about what to do with your own property or properties, and the economic investment (for retirement or otherwise) that might motivate someone to purchase a home for an STR.

The most common negative opinions or experiences cited related to lack of affordable housing in Brevard (particularly long-term rentals) and lack of housing overall for *local people*. Concerns were raised about the ability for people to live where they work, live near family, prevent homelessness, and recruit to specific industries such as teachers, police, and people who work in the tourism sector. While there were some negative responses that also included concerns about noise, trash, and lack of connection with neighbors, these were often cited in addition to affordable housing concerns.

"I am not in favor of them. I know it benefits the owner of the property, but eliminating affordable rentals is detrimental to the community as a whole."

It matters that respondents were considering three separate groups of people and their experiences in their evaluations of STRs: *investors* who own STRs, *visitors*, and *local people* seeking homes. Each of

these stakeholders are important to our community, and their needs are interdependent. As many of the nuanced/neutral comments noted: without housing for tourists, there would not be jobs in the businesses that are part of our tourism industry. Without housing for workers in the tourism industry, there will not be employees to run the businesses for the tourists to frequent. Both are true. Weighing the needs, interests, and potential risks and benefits for each of these groups separately could help piece out the nuance of any decision-making about STRs.

“STRs bring in tourists which continue to enable Brevard to thrive. However, there is also a need for affordable long-term rentals for the workers that Brevard also needs to thrive.”

AFFORDABLE HOUSING AND LONG-TERM RENTALS

It must be noted that for all three of the questions that offered written responses, participants brought up affordable housing and long-term rentals again and again.

This suggests that residents perceive a connection between short-term rentals and larger discussions of housing affordability and availability. For many, it was part of their reasoning for curtailing short-term rentals. For even more, it was something they noted when stating their views about STRs or what they have noticed about STRs in the past five years.

The persistence and regularity of this perception (that STRs and housing affordability/availability) may warrant further research.

CONCLUSIONS

To assist the Short-Term Rental Task force in their mission to obtain data on short-term rentals, this report on a survey of 260 residents of the City of Brevard was conducted in Fall of 2022. As defined by the City, “A short-term rental (STR) is a private residential property that is rented, in whole or part, for periods of less than 30 days for compensation.” The many experiences and opinions of respondents were analyzed, including information from sub-groups such as STR owners, neighbors to STRs, people who have stayed in STRs, people who rent their homes in Brevard, and people of different age groups.

Results indicate that there is interest in the creation of policies about STRs in Brevard, and that the most common response was to enact policies that curtail STRs.

Additionally, respondents clearly perceived a connection between STRs and housing affordability and availability in Brevard.

Limitations

For each of the results, the count of responses is included since some questions were skipped by participants. When percentages are provided, it should be interpreted as the percent of the total sample of 260, so missing values were part of the percent. Percentages were also rounded to the nearest whole

number. Overall, most respondents answered every question on the survey. The survey question with the lowest response rate was “In the past five years, what have you noticed about short-term rentals in Brevard?” with 207 responses. Surveys were not excluded for missing data, data is not imputed, it is presented in a “raw” format.

All quotes from respondents are written in their original format and have not been edited for clarity or grammatical mistakes.

DISCLAIMER

This analysis was made based on the information provided by participants in the survey, and thus reflects participants’ individual interpretations of survey questions and understandings of their own experiences. No responsibility is assumed by Sunny Side Consulting LLC if participants have represented their experiences inaccurately in survey responses

This report does not comment on the feasibility or legality of specific policy suggestions offered by respondents.

No public written summarization or re-publication of this study may be made without prior written consent of Sunny Side Consulting LLC.

ACKNOWLEDGEMENTS

Thanks to the task force for their input throughout the research process, and to the members of the public who offered comments during those meetings. Thanks to the employees of the City of Brevard who helped with obtaining needed materials during the data collection process. Thanks to the following people who provided research assistance:

Katherine Beaty, Mikayla Chapman, Joey Bartles, Sam Coyne, Tyler Glance, Jasper Green, Dealyn Handy, Malorie Johnson, Makayla King, Abby McCall, Cayla Oakley-Terrell, Lily Rogers, and Sam Stites

STR Public Comment

Feb 2, 2023

Public Comment

One-month comment
period from
December 15, 2022
to January 15, 2023

211 responses

How similar is the public comment to our representative sample?

Quite similar!

Fewer full time residents:
87%

More full-time
employed/self-employed:
59%

Less retirees: 21%

More use of “prefer not
to answer” or skipped
questions

Residence Information		
A one family house detached from any other house	86%	181
Owned by you or by someone in your household	84%	178
Rented by you	14%	30
Full-time resident	87%	183
Race/Ethnicity		
White	82%	140
Black	1%	2
Hispanic, Latinx	2%	3
Asian	2%	3
American Indian	1%	1
Other	1%	2
Prefer not to answer	14%	23
Sex		
Female	60%	103
Male	28%	49
Non-binary	1%	1
Prefer not to say	12%	20
Education		
Did not graduate from high school	1%	1
High school graduate or GED	2%	3
Some college, associates degree, technical/trade school, or other post-high school education	25%	44
Completed a bachelor's degree	37%	64
Graduate work or graduate degree	35%	61
Household Income		
Under \$17,000	2%	3
\$17000-\$46999	16%	27
\$47000-\$99999	35%	61
\$100000-\$199999	21%	36
\$200000 or more	10%	17
Prefer not to answer	17%	29
Work Situation		
Employed/self-employed full time	59%	101
Employed/self-employed part time	13%	22
Not employed, not looking for work	1%	1
Retired	21%	36

Should the City of Brevard adopt policies to protect or curtail STRs?

Table 2: Should the City of Brevard adopt policies to protect or curtail STRs?

	Percent	Respondents
Yes	45%	95
“Yes”- unexplained	7%	15
“Yes”-Curtail STRs	37%	77
“Yes”- Protect STRs	1%	3
No- No policies	24%	51
Neutral/Don’t Know	10%	20

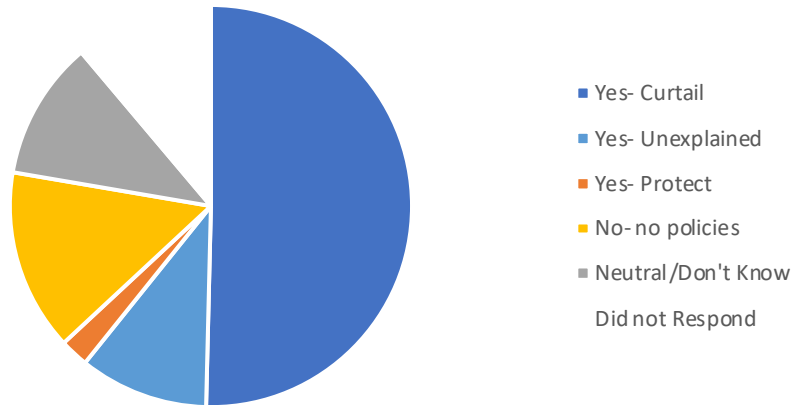
45 percent of respondents (95 people) wrote that the City of Brevard *should* adopt policies related to short-term rentals.

The most popular response was “Yes- Curtail STRs” with 77 responses. This support is not as strong as the representative survey.

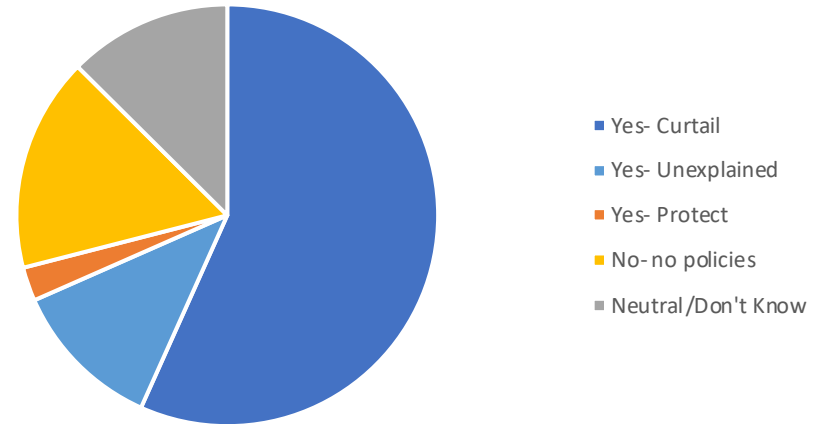
166 people responded to this question out of the 211 who took the overall survey which means 45 did not answer the question.

Representative

Should the City of Brevard adopt policies to protect or curtail STRs? (Representative Survey)



Should the City of Brevard adopt policies to protect or curtail STRs? (Representative Survey)



Missing data included

Public Comment

Responses to the question

Figure 1: Should the City of Brevard adopt policies to protect or curtail STRs? (All 211 respondents)

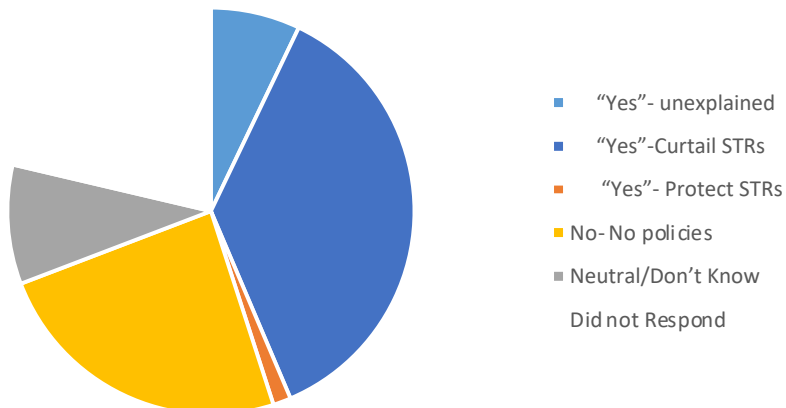
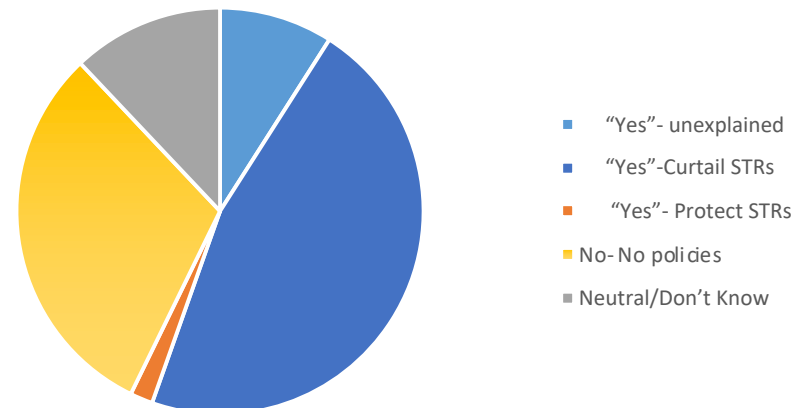


Figure 2: Should the City of Brevard adopt policies to protect or curtail STRs? (166 responses to the question)



What is your connection to STRs in Brevard?

Table 3: What is your connection to STRs in Brevard?

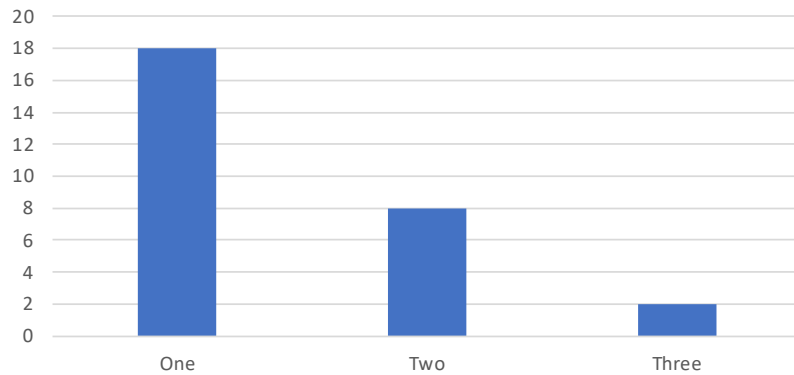
	Percent	Count
I am a community member	56%	118
I have stayed in a STR in another location	50%	80
I am neighbors with a STR	40%	84
I do not feel connected with STRs	10%	20
My family/friends stay in STRs when they visit Brevard	29%	61
I have stayed in a STR in Brevard	21%	45
I own a STR in Brevard	14%	29
I am considering becoming an owner/operator of a STR in Brevard	11%	22
Other	5%	10
I am employed in the broader tourism/hospitality industry	8%	17
I am employed in a field directly related to STRs	4%	8
I am employed to manage a STR	3%	7

The public comment portion of the survey had far fewer people who *did not* feel connected to STRs, and all other categories were selected more than they were in the representative survey.

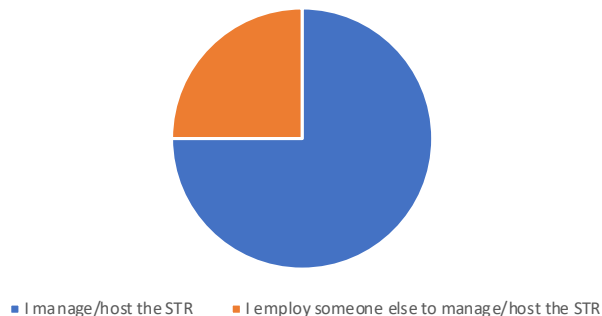
Noteworthy: STR owners, neighbors, employed in related fields.

29 STR Owners (28 responded)

If you own an STR in Brevard, how many do you own?



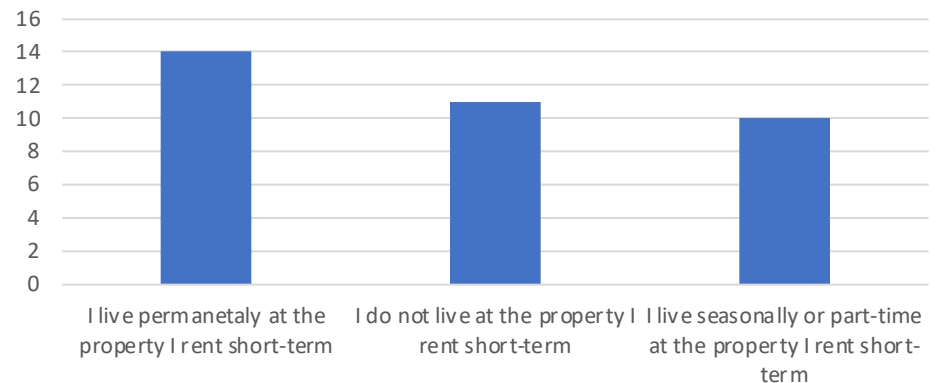
If you own an STR in Brevard, which of the statements most accurately describes your STR?



If you own a short-term rental, what kind(s) do you own?

	Count
Detached single-family home	18
Room, suite, garage apartment	5
Secondary house, cottage, cabin, ADU	8
Attached single-family home, townhome, row home, duplex, triplex	1
Apartment or condominium	0
Other	1

If you own an STR in Brevard, which of these statements most accurately describes your STR?
(Select all that apply)



Property Values and Neighbors

- As stated in the final report for the representative sample, discussions of property values can be vague because the implications of positive or negative impacts can be interpreted widely. Like that study, the public comment results indicate respondents had mixed opinions about the effect of living near STRs on their own property values.
- There was generally more discomfort than comfort with having STRs as neighbors, like the representative sample.

Figure: Do you believe that living next to or near a short-term rental impacts your own property value?

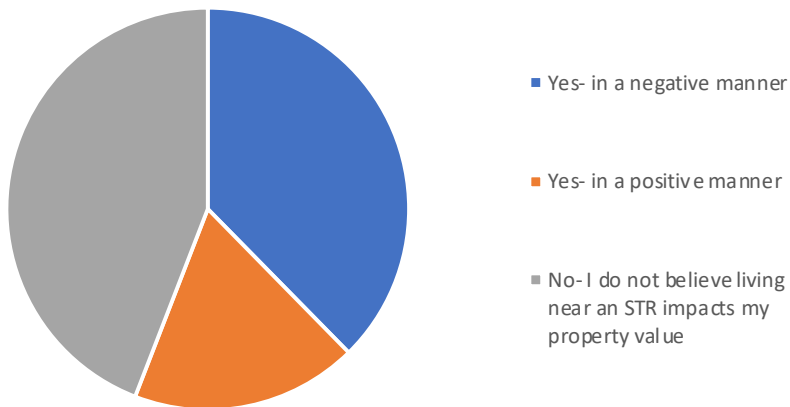
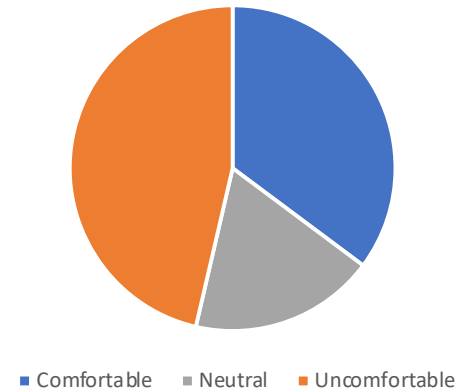


Figure: How would you feel having a short-term rental (or rentals) as your neighbor(s)?



In the past 5 years what have you noticed about STRs in Brevard?

- 146 responses, and 106 of them noted an increase in STRs.
- 54 connected to affordability/availability of housing
- Representative survey had more responses that included positive and negative aspects. Public comment had more responses that could be coded as explicitly positive (27) and explicitly negative (45).

Conclusions:

Public comment followed most of the patterns from the representative survey



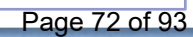
Support for policies to curtail STRs was the most common response, but not as strong as the representative survey.



Connections between housing affordability/availability and STRs was the most common pattern



There were more responses with singularly positive or singularly negative outlooks on STRs in Brevard.



Proposed:

Lodging		GR	RMX	NMX	DMX	CMX	IC	GI
Overnight accommodations	All overnight accommodations, except as listed below	—	—	—	P	P	P	—
	Bed and Breakfast	PS	PS	PS	PS	PS	PS	—
	Short-Term Rental (STR)	PS	PS	PS	PS	PS	PS	—

3.6.1.C. Short-term rental

a. Purpose: The regulation of short-term rentals, as defined below, is intended to maintain the predominantly residential character of traditional neighborhoods in the City of Brevard and the extra-territorial jurisdiction thereof, and to encourage an increase in housing stock available within the City and its ETJ.

~~a.~~ b. Definition: A private residential property that is rented, either in whole, or part, for periods of less than 30 days for compensation. The following activities shall not be considered as a Short-Term Rental use for the purposes of this ordinance:

i. Dwelling units rented, in whole or in part, where a permanent resident lives on-site on the property. This shall include attached or detached accessory dwelling units where the operator lives elsewhere on the property.

~~i.~~ ii. Incidental residential vacation rentals, defined to mean no more than two such rentals in any calendar year where the total number of nights rented does not exceed 14.

iii. Rentals of property in any permitted hotel, motel, inn, rooming or boarding house, or bed and breakfast establishment.

c. Existing STRs in GR Districts:

~~ii.~~ i. Existing STRs in General Residential zoning districts in operation at the time of the effective date of this ordinance shall be allowed to continue operations, in accordance with Section 14.2 – Nonconforming Uses.

~~b.~~ d. Additional Standards:

i. ~~No permits are required for short term rentals, per N.C.G.S. 160D-1207. A typical zoning permit shall be required solely to verify notification and agreement to comply with the additional standards contained herein.~~

ii. Overnight occupancy shall not exceed two persons per bedroom plus two additional persons. The number of "bedrooms" used in calculating occupancy limits shall be taken from the property tax records. For example: a two-bedroom rental would have an occupancy limit of 6 (2 × 2 bedrooms = 4 + 2 additional = 6 total).

iii. ~~Existing Dwelling units~~ Dwelling units used as short-term rentals in GR zoning districts shall maintain their residential character and outside appearance.

iv. No signs shall be permitted.

~~iii.~~ v. All exterior lighting shall be residential in nature and shall not be directed towards adjacent properties.

~~iv.~~ vi. Parking requirements shall be provided for the type of dwelling unit, per Chapter 10 of this ordinance.

**COMMENT OF CONSISTENCY WITH COMPREHENSIVE PLAN
AND ANY OTHER OFFICIALLY ADOPTED APPLICABLE PLANS**

NCGS 160D-605 requires that the Planning Board shall advise and comment on whether the proposed amendment is consistent with any comprehensive plan prior to consideration by the Governing Board. The Planning Board shall provide a written recommendation to the Governing Board that addresses plan consistency and other matters as deemed appropriate by the Planning Board, but a comment by the Planning Board that a proposed amendment is inconsistent with the Comprehensive Plan shall not preclude consideration or approval of the proposed amendment by the Governing Board.

The Brevard Planning Board forwards this recommendation to City Council with a finding that the proposed zoning map amendment is **consistent** with the following elements of the City's adopted plans and policies:

Building Brevard Comprehensive Land Use Plan:

LUH- 16: Provide support for the preservation and rehabilitation of existing affordable housing.

LUH-17: Monitor impacts and consider additional regulations for short-term rentals. Follow recommendations from the City's Short-Term Rental Task Force.

STAFF REPORT

Planning Board, Tuesday, June 27, 2023

Title: TXT-23-004 – Discussion of Text Amendment UDO Chapter 10 Parking Standards.

Speaker: Emily Brewer, AICP, Senior Planner

Prepared by: Emily Brewer, Senior Planner

Approved by: Paul Ray, Planning Director

Background & Discussion

Parking regulations in development ordinances are meant to ensure the provision of off-street parking is proportionate to the land use by establishing minimum and/or maximum amounts of parking. These regulations can also be used to incentivize and encourage development that prioritizes multimodal transit options and other adopted goals from the City's comprehensive plan.

At the Planning Board meeting on May 23, 2023, Staff lead the Board in a discussion on the opportunities and constraints related to the parking requirements for developments in Brevard. The presentation from this discussion is included as Attachment 1. At this meeting, Board members concurred with Staff's assessment that parking standards should be context-dependent and the requirements should vary by zoning district. More specifically, Staff shared the City of Charlotte's tiered parking model as an example of this.

Staff has prepared a revised Section 10.3 – Off-Street Vehicle Parking Requirements – for the Board's review and input. This is intended as the next step in developing a fully revised parking chapter. Other topics that Staff are actively researching and drafting include:

- Off-street loading requirements
- Off-street bicycle parking requirements
- Off-street electric vehicle parking requirements
- Parking area design standards
- Structured parking requirements
- Non-conforming parking lots compliance (e.g., When would a non-conforming parking lot be required to be brought into compliance? And in what ways would compliance be required?)

Policy Analysis

The *Building Brevard 2030* Comprehensive Land Use Plan explicitly calls out parking requirement amendments as a critical action to better link land use with transportation:

- **ATCH - 9:** *Right-size parking requirements and develop incentives for multimodal access and alternative approaches to meeting parking demand.*

Parking is a complex issue that affects virtually every aspect of a city's function, including land use, transportation, economic development, community health and wellness, and public safety. As such, this action step supports many of the Plan's overarching goals and objectives:

- **GOAL 2:** *Encourage a **development pattern** that respects Brevard's sense of place and prioritizes **livable communities**.*
- **GOAL 4:** *Create a built environment that prioritizes a **safe, active, multi-modal transportation system** and community health and wellness.*
- **GOAL 7:** *Support economic vitality and **grow the tax base**, cultivate local businesses, and attract sustainable industry.*
- **GOAL 8:** *Plan **for efficient, equitable, and resilient infrastructure** and services that maintain and improve quality of life throughout the city.*

Recommendation

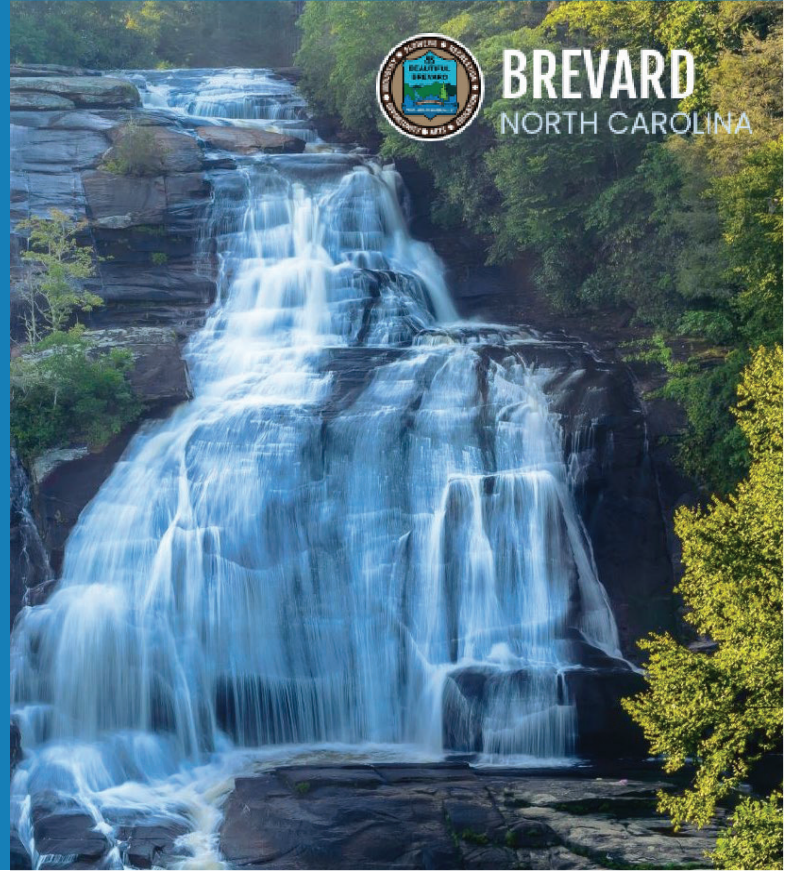
No action requested at this time, as this is intended to be an informal work session.

Attachments:

1. Introduction to Parking Revisions Presentation - May 23, 2023
2. Current Chapter 10 Parking Standards
3. Draft Section 10.3 - Off-Street Parking Requirements

Introduction to Parking Revisions

Planning Board | May 23, 2023
Emily Brewer, AICP



Building Brevard 2030

ATCH-9: Right-size parking requirements through UDO updates.

- **GOAL 2:** Encourage a development pattern that respects Brevard's sense of place and **prioritizes livable communities**
- **GOAL 4:** Create a built environment that **prioritizes a safe, active, multi-modal transportation system** and community health and wellness.
- **GOAL 7:** Support economic vitality and **grow the tax base**, cultivate local businesses, and attract sustainable industry.
- **GOAL 8:** Plan for **efficient, equitable, and resilient infrastructure** and services that maintain and improve quality of life throughout the city.

Context is Key

- Parking is a complex issue that affects every aspect of a city
 - Land use, housing, economic development, transportation, public safety, finances, public works, etc.
- There is no “one-size-fits-all” solution
 - Need to take into account the specific needs of the city
- Considerations for an appropriate parking solution:
 - Is there available public parking or on-street parking?
 - Is there a mix of uses that could potentially share parking?
 - How dense is the development pattern?
 - Are there options for alternative modes of transportation?
 - Where are there multimodal transportation connections? How expansive is the network?

Parking Regulations in the UDO

What can the UDO do in regards to parking?

- Ensure provision of off-street parking is proportionate to the land use through the regulation of a minimum or a maximum amount of off-street parking
- Ensure safe and efficient parking facility design
- Incentivize and encourage development that prioritizes multimodal transit options

What CAN'T be done by the UDO in regards to parking?

- Influence City investment in transportation and/or parking infrastructure
- Amend City projects (pedestrian infrastructure, street improvements, etc.)
- Dictate appropriate land uses on specific parcels (beyond general zoning districts)

SWOT ANALYSIS OF CURRENT PARKING SITUATION

	INTERNAL FACTORS	EXTERNAL FACTORS
POSITIVE	STRENGTHS - Ongoing investment in multimodal infrastructure (bike paths, sidewalks, etc.) - Public parking lots around Downtown and at the Depot - No parking minimums for non-residential uses in DMX and in King Street/Lumberyard area - Bike parking requirements	OPPORTUNITIES - Reducing required parking frees up land for additional infill development (housing, businesses, etc.) - Shared parking agreements can encourage better use of existing parking lots - Multimodal transportation reduces traffic congestion, improves air quality and supports community health
NEGATIVE	WEAKNESSES - Lacking infrastructure and narrow roads make on-street parking unsafe and lead to traffic congestion - Multimodal paths traverse the city, but will not support key “last mile” connections to some areas - No public transit system, so driving is a necessity for most (if not all) residents - Ordinance is over-simplified and doesn’t align with the new use matrix	THREATS - Businesses and residents have extreme emotional attachment to free, proximal parking - Paid parking in key areas can increase cost of living - Increasing construction costs (concrete, asphalt, etc.) make parking more expensive for developers – either pass the added cost to tenants or abandon the project - Parking lots do not generate much tax revenue - Expansive parking areas facilitate sprawl

Staff’s Priorities & Ideas

- Right-size parking requirements by land use and development context
 - Implement a tiered parking model that uses zoning districts to assign minimums and maximums
 - Include additional opportunities for shared parking spaces
- Incorporate safe and efficient parking facility design
- Incentivize and encourage development that prioritizes multimodal transit options
- Add parking lot maintenance standards
- Manage the potential negative impacts of both too little and too much parking
 - Negative impacts associated with excessive spillover parking (into adjacent neighborhoods)
 - Negative environmental and urban design impacts that can result from an over-supply of parking

Varying Parking Standards by Zoning District

- Current ordinance no parking minimums for non-residential uses in DMX and in King Street area
- Exempting districts is a common practice in many other cities considering parking reform
 - Asheville, Black Mountain, Greensboro, Winston-Salem, Hickory, Hendersonville, Durham, etc.
- Charlotte adopted a tiered parking model that varies requirements by use and zoning district →

Table 19-1: Vehicle Parking Requirements

Uses	TIER 1 Neighborhood 1 Zoning Districts, N2-A, MHP, ML-1, ML-2, IC-1, OFC Zoning Districts		TIER 2 N2-B, N2-C, IMU, IO-2, RC-1, NC, CAC-1, CG, CR Zoning Districts		TIER 3 CAC-2, TOD-UC, TOD-NC, TOD-CC, TOD-TR, RAC, UC, UE Zoning Districts	
	Minimum	Maximum Tier 1 does not have a parking maximum	Minimum	Maximum Applies to both parking lots and parking structures	Minimum Applies only when within 400' of a Neighborhood 1 Place Type	Maximum Applies to both parking lots and parking structures
Residential Uses						
RESIDENTIAL USE unless listed below	1/dwelling unit		1/dwelling unit	2 /dwelling unit		2/dwelling unit
Adult Care Home	None		None	1 space		1 space
Childcare Center in Residence	None		None	1 space		1 space
Dormitory	1/2 dorm rooms		1/4 dorm rooms	1/dorm room		1/dorm room
Dwelling - Duplex	1.5/dwelling unit		1/dwelling unit	No limit on enclosed/garage spaces; 2 unenclosed/dwelling unit		No limit on enclosed/garage spaces; 2 unenclosed/dwelling unit
Dwelling - Live/Work	1/dwelling unit + 1/1,000sf GFA of commercial space		1/dwelling unit + 1/1,000sf GFA of commercial space	2/dwelling unit + 1/250sf GFA of commercial space		2/dwelling unit + 1/250sf GFA of commercial space
Dwelling - Manufactured Home	1/manufactured home		1/manufactured home	2/manufactured home		2/manufactured home
Dwelling - Multi-Family Also applies to residential component of mixed-use development	1.5/dwelling unit; For senior living - 0.25/dwelling unit		1/dwelling unit; For senior living - 0.25/dwelling unit	1/bedroom/studio unit; For senior living - 0.75/dwelling unit	1/dwelling unit; For senior living - 0.25/dwelling unit	1/bedroom/studio unit; For senior living - 0.75/dwelling unit
Dwelling - Multi-Dwelling Development	Based on dwelling types in development		Based on dwelling types in development	Based on dwelling types in development		Based on dwelling types in development
Dwelling - Single-Family	2/dwelling unit		1/dwelling unit	No limit on enclosed/garage spaces; 2 unenclosed/dwelling unit		No limit on enclosed/garage spaces; 2 unenclosed/dwelling unit

Excerpt from Charlotte's parking requirements exempting the tiered model.

Tiered Parking Model

Tier	Description	Parking Requirements	Proposed Zoning Districts
Tier 1	• Less walkable districts • Concentrated land uses • No available public parking / on-street parking	Parking minimums, but no parking maximums	General Residential (GR) General Industrial (GI)
Tier 2	• Mix of lower-density residential and commercial uses • Some off-street parking needed to preserve public rights-of-way • More amendable to alternative modes of transportation	Both parking minimums and maximums	Residential Mixed-Use (RMX) Neighborhood Mixed-Use (NMX) Institutional Campus (IC) ?
Tier 3	• Dense, heavily commercial development • Available public parking / on-street parking • Developers/owners are more likely to over-park (e.g., grocery stores, shopping centers)	Parking maximums, but no parking minimums	Downtown Mixed-Use (DMX) Corridor Mixed-Use (CMX)

VISUALIZING PARKING BY ZONING DISTRICT

General Residential (8)

Corridor Mixed-Use



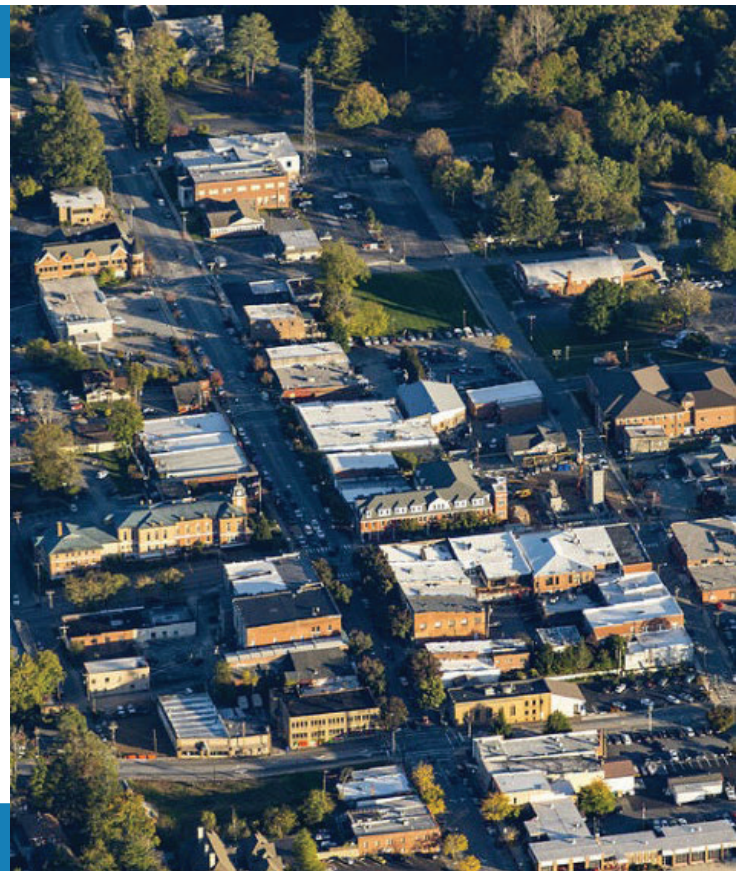
SURFACE PARKING DOWNTOWN



Discussion

- What are other strengths, weaknesses, opportunities and threats?
- How do they differ in different development contexts?
- What are the top priorities with rewriting the parking chapter?
- What are other considerations for the parking chapter?

Image Source: David Oppenheimer, via Pixels.com



CHAPTER 10. PARKING STANDARDS

10.1. Purpose and intent.

Parking lots, loading areas, and similar facilities are necessary elements in the urban environment. However, these facilities have been known to cause the following negative impacts:

- Increased stormwater volume and velocity;
- Increased surface pollutants;
- Increased surface level heat and glare;
- Reduction in the efficiency of the connecting street system; and,
- Reduction in the operations of the surrounding pedestrian and bicycle network.

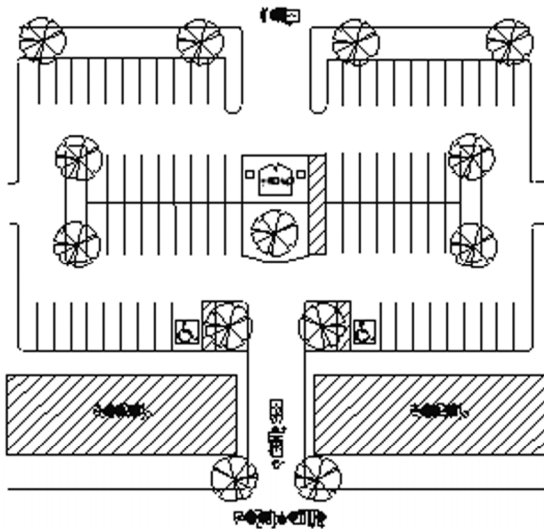
To mitigate these negative impacts, and to provide adequate service, the city has enacted standards to regulate the construction, expansion, and renovation of such facilities.

10.2. Applicability.

Off-street parking and loading spaces shall be provided for all uses as well as for any expansion of such uses or change in use in accord with the requirements of this section.

10.3. Off-street parking requirements.

Typical Parking Arrangement



A. Minimum parking ratios:

Use Type	Required Parking Spaces
Single-Family Residential	2 spaces per dwelling unit

Multi-Family Residential (DMX, NMX)	1 space per dwelling unit
Multi-Family (All Other)	1.5 spaces per dwelling unit
Retail Uses	1 per 500 square feet
Office Uses	1 per 500 square feet
Theaters	1 per 3 seats
Restaurants	1 per 4 seats
Manufacturing/Warehousing/Light Assembly	.25 per 1,000 square feet of non-office space
Bed and Breakfast Inns/Hotels/Motels	1 per room or suite
Civic Uses (Assembly Uses Only)	1 per 4 seats (If benches or pews are used then the standard shall be measured as 1 per 6 feet)

Note: All square footage is in gross square feet.

1. The following areas are exempt from non-residential minimum parking requirements:
 - a. Downtown Mixed-Use (DMX)
 - b. Neighborhood Mixed-Use (NMX) in the Railroad Avenue/Lumberyard area
- B. *Maximum parking allowed:*
 1. Additional parking that exceeds ten percent of the required minimum (hereafter "excess parking") shall not be permitted, except as follows:
 - a. Excess parking may be provided within in an underground, roof-top, or multi-story parking structure.
 - b. Other excess parking may be permitted. However, stormwater control measures for such excess parking area shall be designed to control the stormwater run-off generated by a 25-year, 24-hour rain event, and shall otherwise comply with Chapter 6, Section 6.6 of this ordinance.
 - c. Parking spaces with electric vehicle charging stations shall not be counted towards the calculation of "excess parking" for the purposes of this subsection.
 - d. Parking spaces constructed with durable and dustless pervious paving systems shall not be counted toward the calculation of "excess parking" for the purposes of this subsection.
 - e. For manufacturing/warehousing/light assembly use types, excess parking shall be determined as additional parking that exceeds ten percent of parking calculated at 1 space per 500 square feet. Excess parking may be permitted in accordance with subsections (a), (b), (c), and (d) above.
- C. *Bicycle parking:* Group developments, planned developments, multi-family developments containing more than three dwelling units, conditional zoning districts, and special use permit developments, and any other development requiring ten or more parking spaces shall provide secure bicycle storage capable of serving building users. One bicycle space shall be provided for every 20 required automobile parking spaces as determined by Section 10.3.A, with a minimum of one 4-bicycle rack. Bicycle racks are encouraged to be placed in convenient locations near building entrances. The administrator may adjust bicycle parking requirements to account for shared parking, buildings located in close proximity to one another, or the presence of public bicycle racks in close proximity.

-
- D. *Accessible parking:* Accessible parking shall be provided in accordance with the North Carolina State Accessibility Code.
- E. *Exemptions and adjustments:*
1. Developments which meet any of the following criteria may be totally or partially exempt from the parking requirements of this section.
 - a. Developments which involve an increase in floor area and which will not increase the number of parking spaces required under this chapter by more than 25 percent;
 - b. Developments which involve only a change of use and which will not increase the number of parking spaces required under this chapter by more than 25 percent.
 2. In any district, the minimum number of spaces required may be adjusted by the administrator when it has been determined that the reductions are necessary to preserve a healthy tree or trees (with a 12-inch or greater diameter) from being damaged or removed, and where the site plan provides for the retention of said tree or trees.
 3. No development shall be exempted from bicycle parking requirements.
- F. *Variations in parking requirements:* In lieu of actual construction of required on-site parking spaces, all or any portion of the off-street parking required in this section may be provided as follows:
1. *Satellite parking:* Satellite parking (a parking lot that is located on a parcel or lot that is not contiguous or adjacent to the parcel or lot containing the use for which the parking is intended) may be permitted, subject to certification by the administrator that the following requirements have been met:
 - a. The use being served by the satellite parking shall be a permitted principal use, as established in Chapter 2, in the zoning districts within which the lot containing such parking is located;
 - b. The satellite parking spaces shall be located within 1,320 feet (¼-mile) walking distance of a public entrance to the structure or lot containing the use for which such spaces are required. A safe, direct, attractive, lighted and convenient pedestrian route shall exist or be provided between the satellite parking and the use being served;
 - c. The continued availability of satellite parking spaces necessary to meet the requirements of this section shall be ensured by an appropriate condition that the continued validity of the zoning compliance or special use permit shall be dependent upon the permit holder's continued ability to provide the requisite number of parking spaces.
 2. *Shared/combined parking:* The joint use of shared off-street parking between two uses may be made by contract between two or more adjacent property owners.
 3. *Overflow parking:* Off-street areas used to accommodate occasional (no more than once per month) overflow parking may be constructed of grass. The owner of the property shall be responsible for the maintenance of such parking in a clean and dust-free condition.
 4. *Reduction of automobile parking for bicycle parking.* The Administrator may reduce the required number of off-street automobile parking spaces by one automobile space for every four bicycle parking spaces provided beyond the minimum required amount of bike parking found in Section 10.3.C, up to a maximum of 25 percent of the minimum requirement.
 5. *Inclusion of parking for electric vehicle charging stations:* Each charging station space shall count toward satisfying the minimum required off-street parking.
- G. *Use of parking spaces and loading spaces:*
1. Required parking and loading areas shall be available for the parking of operable vehicles of residents, customers, and employees, and shall not be used for the storage of vehicles or materials, or for the parking of vehicles used for loading or unloading.
-

-
2. Required loading spaces shall be available for the loading and unloading of vehicles, and shall not be used for the storage of vehicles or materials, or to meet off-street parking requirements.

(Ord. No. 3-07, § 9, 2-5-07; Ord. No. 13-07, § 1, 9-17-07; Ord. No. 2017-08, § 1(Exh. A), 3-20-17; Ord. No. 2018-04, § 1(Att. C), 2-19-18; Ord. No. 2020-12, § 1(Exh. A), 6-29-20; Ord. No. 2020-27, § 1(Exh. A), 10-19-20; Ord. No. 2021-44, § 1(Exh. A), 9-20-21)

10.4. Off street loading requirements.

- A. Every lot on which a retail or wholesale business, trade, industry, or multi-family housing is hereafter established, shall provide space indicated herein for the loading and unloading of vehicles off the street.
- B. Such space shall have access to an alley or commercial service street or, if there is no alley or service street, to a street. For the purposes of this section, an off-street loading space shall have the minimum dimensions of 12 feet by 40 feet and be free and clear of obstruction at all times. However, the minimum loading requirements shall meet the needs of each individual use. Required space shall be considered as follows:
 1. *Retail businesses*: One space per business location.
 2. *Wholesale, industrial, governmental and institutional uses (including public assembly places, hospitals, and educational institutions)*: One space for the first 25,000 square feet, such uses shall provide loading spaces according to the following schedule.

Square Feet	Number of Spaces
25,000—99,999	2
100,000—159,999	3
160,000—239,999	4
240,000—349,999	5
Additional 100,000 or fraction thereof	1 additional

3. *Multi-family residences*: Ten or more units, one space.
- C. Where a loading space is adjacent to a public sidewalk or other public pedestrian way, it shall be so located, arranged and improved with curbs or other barriers, as to provide adequate protection for pedestrians.
 - D. All off-street loading spaces shall be provided with adequate off-street maneuvering areas so that vehicles do not obstruct traffic during maneuvering.
- (Ord. No. 2020-24 , § 1(Exh. A), 10-19-20)

10.5. General off-street parking area design standards.

- A. *General*: Internal parking area design and circulation shall be subject to the review and approval of the approving authority, who may impose such conditions as are necessary in order to ensure the safety of pedestrians and motorists.
- B. *Connectivity*: Adjacent lots shall be interconnected. Each parking area that is interconnected may reduce their minimum parking requirement by five percent. Exceptions may be granted by the administrator in the case of existing natural barriers such as steep slopes, surface water protection areas, etc. between the sites.

-
- C. *Circulation drives:* A circulation drive may be permitted around the front of the building but may not encroach into any required landscape area. If provided, this drive shall be one way and designed to be the minimal width required (not to exceed 12 feet in width) and shall be constructed using alternative paving treatments such as unit pavers or stamped concrete.

Circulation Drives



Circulation drives, if provided, should be minimized and treated with pedestrian-scaled materials.

- D. *Primary entry drives:* Parking lots shall be served by a primary entrance drive that is constructed to the standards of a local boulevard. The approving authority may approve construction in accordance with the standards set forth for a local collector street when a local boulevard is not feasible due to dimensional limitations within the site.
- E. *Parking aisles:* Parking aisles shall be a minimum of 24 feet in width.
- F. *Pedestrian amenities:*
1. Off-street parking areas shall be designed to allow pedestrians to safely move from their vehicles to the building. Barrier free access shall be provided across parking lots and between adjacent pedestrian generators such as commercial or public buildings.
 2. All structures (other than single-family and duplex structures) shall be connected to the street and, if available, an adjacent public sidewalk, by a sidewalk. Furthermore, all structures within a group development, planned development, or other project containing multiple principal structures shall be connected by a sidewalk. Sidewalks shall also connect other phases of the same development, and adjacent developments, as required by the administrator
 3. In addition to any required sidewalk, barrier free access shall also include providing ramps at curbs, clear walkways between pre-cast wheel stops, and clearly delineated walkways on the parking lot surface across travel lanes.
 4. For lots of 36 spaces or greater, no parking space shall be more than 65 feet from a sidewalk that provide access to the entrance of the building or to other sidewalks connecting to the building. Sidewalk corridors a minimum of five feet in width shall be provided within the parking area or along the perimeter to provide safe building access for pedestrians.

Pedestrian Amenities



Sidewalks must connect parking areas and streets to principal structures.

G. *Location of off-street parking:*

1. Off-street parking shall not be permitted within any public right-of-way.
2. Off-street parking shall not be permitted within any front yard setback area and shall not be permitted between any principal structure and the street upon which such structure fronts. Where a structure fronts upon two or more streets, parking may be permitted between the principal structure and the adjacent street of lesser classification when parking cannot reasonably be placed in another location.
3. The following uses and parking types shall be exempt from Section 10.5(G.2) above:
 - a. Single-family and duplex residential structures in GR, RMX and NMX districts, except those which are subject to Chapter 2, Section 2.3(E.2).
 - b. Handicapped parking spaces as required by the North Carolina Accessibility Code or other federal, state, or local regulations.
 - c. Bicycle parking spaces required by this ordinance.
 - d. Existing non-residential and multi-family development undergoing significant or substantial improvement or change of use as defined in Chapter 19 of this ordinance, provided that all newly created parking spaces associated with such redevelopment shall conform with Section 10.5(G.2) unless the approving authority deems that compliance would be impractical due to existing site constraints.

(Ord. No. 8-07, § 1(H), 5-21-07; Ord. No. 2015-24, § 01, 9-21-15; Ord. No. 2017-08, § 1(Exh. A), 3-20-17; Ord. No. 2021-41, § 1(Exh. A), 9-20-21)

10.6. Parking area construction standards.

- A. *Surfacing:* All vehicle accommodation area surfacing shall be constructed in accordance with the following specifications:
1. *Hard surface required:* Except for single family dwellings in GR Districts, all off-street parking areas including drives connecting such areas with the public street rights-of-way shall be surfaced with a dust-free paving treatment including but not limited to asphalt, concrete, or unit pavers.
 2. *Porous paving permitted:* The administrator may permit and/or require that porous paving materials be substituted for conventional paved surfaces in some portion of a vehicular surface

-
- area where it finds it is necessary to protect the root system of an existing tree or trees from damage or reduce the amount of impervious surface for stormwater calculation purposes.
3. *Exceptions to paved parking:* The following situations are exempted from the requirements of this section. (Note: Non-paved parking areas are still subject to the landscaping requirements of Chapter 8.)
- a. A parking lot used only for occasional (not more than once per month) use or is temporary in nature (not exceeding 24 months), as determined by the administrator.
 - b. Public recreational facilities located in residential districts.
 - c. Whenever a proposed development involves only one of the following:
 - (1) A non-occupied accessory structure, or,
 - (2) A change in use which will not increase the number of required parking spaces by more than 25 percent, and provided that no significant or substantial improvements to the primary structure are proposed.
 - d. The administrator may exempt up to 75 percent of the required employee parking spaces for industrial uses in industrial zoning districts from the paving requirements of the section. The exemption is based upon the following criteria: if the employee parking area is not visible, either by effective buffer screening or because of the grade of the site, from any public right-of-way or a residentially or commercially zoned property.
4. *Non-paved areas:* Whenever an off-street parking area is exempt from the paved parking requirements the administrator shall require the following:
- a. Landscape aisles or other spatial separations shall be provided to ensure that the parking spaces will be readily identifiable to the users; and,
 - b. The perimeter of off-street parking areas encompassing the parking stalls and the side of any unpaved drive or aisle leading to said stalls, shall be edged with brick, pressure treated timbers, or cast in place concrete, and anchored into place. Alternate borders may be considered on a case by case basis.
 - c. Landscaping or other measures shall be utilized to prevent the discharge of sediment off-site or into any body of water from an unpaved parking area.
- B. *Curbing required:* All parking areas and circulation drives shall be curbed using a vertical curb with a minimum width of 1'6". Landscape islands and areas shall be similarly curbed to protect vegetation. This requirement may be waived to permit sheet flow drainage into pervious areas as part of an approved engineered stormwater retention system.
- C. *Parking area containment:* Off-street parking areas shall be designed so that parked vehicles do not encroach upon or extend onto public rights-of-way, sidewalks or strike against or damage any wall, vegetation, utility, or other structure.
- D. *Parking space dimensions:* Standard parking spaces shall be 9' × 18' (width × length). Alternative parking space designs spaces shall be dimensioned in accordance with Architectural Graphics Standards by Ramsey & Sleeper published by the American Institute of Architects, latest edition.
- E. *Stormwater management:* Parking areas are subject to stormwater management requirements set forth in Chapter 6 of this ordinance. It is strongly encouraged that parking area landscaping be incorporated into the approved stormwater management system for any project.
- (Ord. No. 2018-04, § 1(Att. C), 2-19-18)

10.7. Structured parking.

Locating structured parking at the interior of the block, surrounded by buildings, is the preferred method of screening.

New Section 10.3 Off-Street Vehicle Parking Requirements

Commented [EB1]: Purple is currently in our ordinance

A. General off-street vehicle parking requirements

1. Off-street parking requirements are structured in a three-tier system as follows:
 - a. **Tier 1:** A minimum number of off-street parking spaces are required. There are no off-street parking maximums. Generally, zoning districts in this tier are less walkable and do not have available public parking or space for on-street parking.
 - b. **Tier 2:** A minimum number of off-street parking spaces are required. There are also off-street parking space maximums. Generally, zoning districts in this tier contain a mix of lower-density residential and commercial uses. Some off-street parking is necessary to preserve public rights-of-way, but many of these areas are more amenable to alternative modes of transportation.
 - c. **Tier 3:** There is no required number of spaces for off-street parking, but there are off-street parking space maximums. Generally, zoning districts in this tier consist of dense, heavily commercial development.

TABLE 10.3A: TIERED PARKING REQUIREMENTS	
Parking Requirement Tier	Zoning Districts
Tier 1	General Residential (GR) and General Industrial (GI)
Tier 2	Residential Mixed Use (RMX), Neighborhood Mixed Use (NMX), and Institutional Campus (IC)
Tier 3	Downtown Mixed Use (DMX) and Corridor Mixed Use (CMX)

Commented [EB2]: Note that in our current regulations – NMX “in the Railroad Avenue/Lumberyard area” is exempt from non-residential minimum parking requirements.

2. Required parking shall be available for the parking of operable vehicles of residents, customers, and employees, and shall not be used for the storage of vehicles or materials, or for the parking of vehicles used for loading or unloading.

Commented [EB3]: Currently exempt from non-residential minimum parking requirements

B. Off-street minimum and maximum vehicle parking ratios:

1. TABLE IN DEVELOPMENT, BUT EXCERPT IS BELOW

TABLE 10.3B: OFF-STREET MINIMUM AND MAXIMUM VEHICLE PARKING RATIOS							
Category	Land Use	Tier 1		Tier 2		Tier 3	
		Minimum	Maximum	Minimum	Maximum	Minimum	Maximum
Residential							
Household Living	All household living uses, except as listed below	1.5 / dwelling unit		1 / dwelling unit	2 / dwelling unit		2 / dwelling unit
	Dwelling - Single-Family	2 / dwelling unit		1 / dwelling unit	2 / dwelling unit		2 / dwelling unit
	Manufactured Home (single unit)	2 / dwelling unit		1 / dwelling unit	2 / dwelling unit		2 / dwelling unit
Group Living	All group living uses, except as listed below	1 / dwelling unit or rooming unit		1 / dwelling unit or rooming unit	3 / dwelling unit or rooming unit		3 / dwelling unit or rooming unit
	Rooming or Boarding House	.5 / rooming unit		.5 / rooming unit	1.5 / rooming unit + 1 space		1.5 / rooming unit + 1 space
Social Services	Group Care Facility	1 / dwelling unit, rooming unit, or bed		1 / dwelling unit, rooming unit or bed	3 / dwelling unit, rooming unit or bed		3 / dwelling unit, rooming unit or bed
	Shelter	2 spaces		2 spaces	6 spaces		6 spaces
Lodging							

TABLE 10.3B: OFF-STREET MINIMUM AND MAXIMUM VEHICLE PARKING RATIOS							
Category	Land Use	Tier 1		Tier 2		Tier 3	
		Minimum	Maximum	Minimum	Maximum	Minimum	Maximum
Overnight Accommodations	All overnight accommodations, except as listed below	1 / room or suite		.5 / room or suite	2 / room or suite		2 / room or suite
	Short-term Rental	2 / rental unit		1 / rental unit	2 / rental unit		1 / rental unit
Camping	Campground / Recreational Vehicle Park	.25/campsite or RV parking site		.2 / campsite or RV parking site	1 / campsite or RV parking site		1 / campsite or RV parking site
	Rental Cottage / Cabins	1 / room or suite		.5 / room or suite	2 / room or suite		2 / room or suite
	Seasonal Camp	Varies, See Sec. 10.3.D		Varies, See Sec. 10.3.D	Varies, See Sec. 10.3.D		Varies, See Sec. 10.3.D

C. Calculation of off-street vehicle parking spaces:

1. Vehicle parking spaces are calculated based on the principal use of the lot. When more than one principal use occupies the same lot, the number of spaces is the sum of separate requirements for each principal use.
2. When measurements of the number of required spaces result in a fractional number, the result is rounded to the nearest whole number.
3. Unless otherwise expressly stated, all area-based (square footage) parking standards must be computed on the basis of gross floor area.

D. Uses without minimum and maximum off-street vehicle parking spaces:

1. Some uses have widely varying parking demand characteristics making it impossible to specify a single off-street parking standard. For these uses, the administrator shall determine the appropriate requirements with one of the following methods:
 - a. Apply the off-street parking requirement specified for the listed use that is deemed most similar to the proposed use; or
 - b. Establish off-street parking requirements based on a parking study prepared by the applicant.
 - i. Such a study must include estimates of parking demand based on recommendations of the Institute of Traffic Engineers (ITE), or other acceptable estimates as approved by the administrator, and should include other reliable data collected from uses or combinations of uses that are the same as, or comparable with, the proposed use.
 - ii. Comparability will be determined by density, scale, bulk, area, type of activity, and location.

Commented [EB4]: These uses will include: shopping centers, seasonal camps, outdoor recreation facilities, special event venues etc.

E. Minimum off-street vehicle parking exceptions

1. Public parking credit
 - a. Public parking facilities located within 1,760 feet (1/3-mile) walking distance of the development site may be credited toward the minimum parking requirement at a rate of 1 space for every 5 public parking spaces.
 - b. Signage shall be provided that indicates the location of the public use spaces.

Commented [EB5]: Add the following definition:
Public parking facilities: Facilities open to the public for off-street vehicle parking that are owned or operated by a government agency or municipal service district, or developed as a public-private partnerships.

Commented [EB6]: Distance is derived from Depot parking lot to King Street businesses

c. Residential uses are not eligible for this exemption.

2. Shared/combined parking

a. The joint use of shared off-street parking between two uses may be made by contract between two or more adjacent property owners. The administrator may adjust the minimum parking requirements at a rate of 1 space for every 2 shared spaces.

3. Tree preservation

a. The minimum number of spaces required may be adjusted by the administrator when it has been determined that the reductions are necessary to preserve a healthy tree or trees (with a 12-inch or greater diameter) from being damage or removed, and where the site plan provides for the retention of said tree or trees.

b. The reduction shall not exceed 25% of the total minimum parking spaces required.

c. Invasive tree species as outlined in Section 8.2 of this ordinance are not eligible for this exemption.

4. Additional bicycle parking

a. Additional bicycle parking spaces above the minimum required bicycle parking may reduce the number of required off-street parking spaces at a rate of 1 parking space for every 2 additional bicycle parking spaces.

b. The reduction of spaces granted with this exception shall not exceed 25% of the minimum off-street parking requirement.

5. Upgrading preexisting non-conforming parking facilities

a. The minimum number of spaces required may be reduced by up to 25% to allow an existing development to retrofit parking to conform to the existing parking lot design and landscaping regulations.

Commented [EB7]: Needs to work with non-conforming section

F. Maximum off-street vehicle parking exceptions

1. Spaces reserved for the following are not included in calculating off-street vehicle parking maximums:

a. Required accessible parking spaces in compliance with City, state, and federal standards

b. EVSE-installed electric vehicle charging stations

c. Loading / unloading spaces as required by this ordinance

2. The administrator may grant exceptions to the maximum off-street parking up to 25%.

a. Parking spaces constructed with porous monolithic, pavers, or other pervious paving materials.

i. Pervious paving shall be considered surface improvements such as interlocking concrete paving blocks, brick pavers, grid pavers, or other similar improvements which permit the infiltration of water through the improved surface.

- ii. Sub-surface preparation to accommodate the water infiltration allowed through the surface material shall be required.
- iii. Gravel shall not be considered a pervious paving surface.
- b. Parking spaces located in a parking area that is designed to control for stormwater run-off generated by a 25-year, 24-hour rain event, and in compliance with Chapter 6, Section 6.6 of this ordinance.

3. Underground or above-grade parking

- a. The maximum off-street parking exceptions may be increased by up to 25% if the additional parking spaces are located underground, on a roof-top, or within a multi-story parking structure.

4. Satellite parking

- a. **Satellite parking** may be permitted, subject to certification by the administrator that the following requirements have been met:
 - i. Satellite parking lots shall only be permitted in zoning districts where parking lots are permitted as a **by-right** primary use, as established in Chapter 2 and Chapter 3.
 - ii. The satellite parking spaces shall be located within 1,760 feet (1/3-mile) walking distance of a public entrance to the structure or lot containing the use for which such spaces are required.
 - iii. A safe, direct, attractive, lighted and convenient pedestrian route shall exist or be provided between the satellite parking and the use being served.
 - iv. The continued availability of satellite parking spaces necessary to meet the requirements of this section shall be ensured by an appropriate condition that the continued validity of the zoning compliance or special use permit shall be dependent upon the permit holder's continued ability to provide the requisite number of parking spaces.
 - v. The satellite parking provided shall not exceed 50% of the maximum parking requirement.

Commented [EB8]: Add the following definition:
Satellite parking: A parking lot that is located on a parcel or lot that is not adjacent to the parcel or lot containing the use for which the parking is intended

Commented [EB9]: Change Parking Lots to SUP in GR

G. Accessible Spaces

- 1. All parking facilities shall comply with City, state, and federal requirements for accessible parking spaces.

H. Compact Car Parking Spaces

- 1. For parking lots and structures of 20 spaces or more, up to 25% of required vehicle parking spaces may be designed and designated for compact vehicles.