



CITY OF ALEXANDRIA  
Planning & Zoning

# Short-term Rental (STR) Proposed Regulations

Planning Commission Retreat 9/20/2024



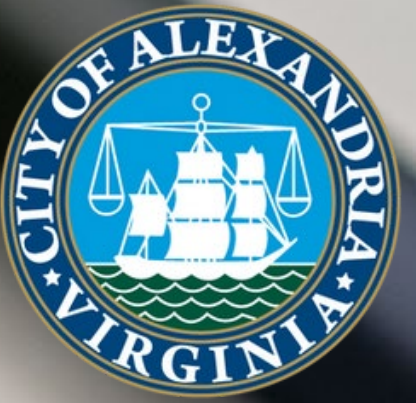


# By the numbers

- ▶ Around 727 short-term rentals (as of September 2024)
- ▶ 462 registered units and 265 probable unregistered units
- ▶ 0.88% of total housing stock
- ▶ Online tracking system which uses big data and AI technology to monitor 60+ STR/hotel booking platforms. Data is verified by humans.



# Policy Goals



Make sure STRs are good neighbors through clear rules that target the common concerns along with effective enforcement mechanisms so that when problems occur, they are quickly resolved.

- 1 Simple
- 2 Sensible
- 3 Cost-effective
- 4 Enforceable



# Permit and Notification



- \$300- \$400 annual fee
- Operator/local agents 24/7 contact info
- Operator/local agents' proof of residency within 15 miles of city
- Description and photos of STR
- Certificate of insurance
- Parking plan



- Certified mail notice to all properties and civic associations within a 200 - foot radius:
  - Permit number and expiration date
  - Operator or local agents 24 hours per day contact information
  - Maximum occupancy
  - Complaint information/hotline

**Operator:** STR owner/lease holder

**Local agent:** STR hired/contracted manager



# Occupancy and Parking



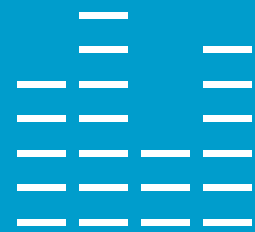
- Occupancy Limit: 2 occupants per bedroom plus 2 additional persons
- Operator must maintain a guest log of all occupants for one year
- Prohibit weddings, parties, special events, or any gathering exceeding the maximum occupancy



- Maximum of four cars on each property
- Prohibit guest automobiles from blocking driveways, sidewalks, mailboxes, alleys
- Require parking plan if parking is not available on the property



# Noise and Trash



- Noise ordinance already exists to regulate noise
- Request operators establish 11pm to 7am “quiet hours” as per noise ordinance



- Trash and recycling containers shall not overflow
- Loose litter on property picked up weekly, and more often if necessary
- Trash and recycling containers removed from the curb by midnight on each collection day



# Maintenance and Safety



- Virginia Maintenance Code and City Code of Ordinances already in place to regulate property maintenance



- Installation of safety equipment
- Provide illuminated street address number visible from the street



# Good Neighbor Guide

- ▶ Permit number, expiration date, and maximum occupancy
- ▶ Operator or local agents 24/7 contact information
- ▶ Trash disposal instructions including collection schedule
- ▶ Parking location information
- ▶ Noise ordinance and quiet hours information
- ▶ Notice that events/parties other than the authorized occupants are not permitted
- ▶ Citations/fines for violations of City Code/Ordinances





# Complaints and Inspections



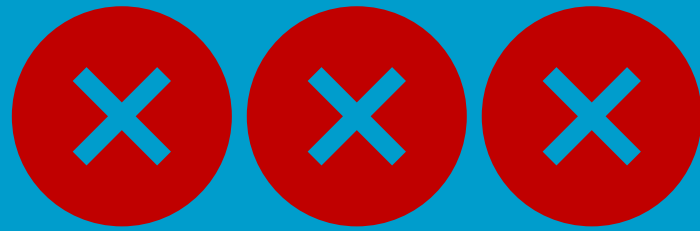
- Operator/local agent must be available by phone 24/7
- 1-hour to resolve complaints
- Failure to resolve complaint within 1-hour results in a violation unless the operator/local agent demonstrates they attempted to resolve the problem in-person



- P&Z will process permits, inspect, and enforce
- Other departments such as TES or Code Administration may also inspect and enforce
- City reserves the right to inspect all STR properties with the operator or local agent present for the inspection



# Enforcement



- **3 violations of ANY single city code or ordinance results in 12-month suspension**
- **5 violations of ANY combination of city codes or ordinances results in a 12-month suspension**

- Changes to Alex311 for better STR violation reporting
- Establish 24/7 hotline to allow easier reporting of violations
- Additional staff for STR permit processing, monitoring, and enforcement paid for by STR permit fee

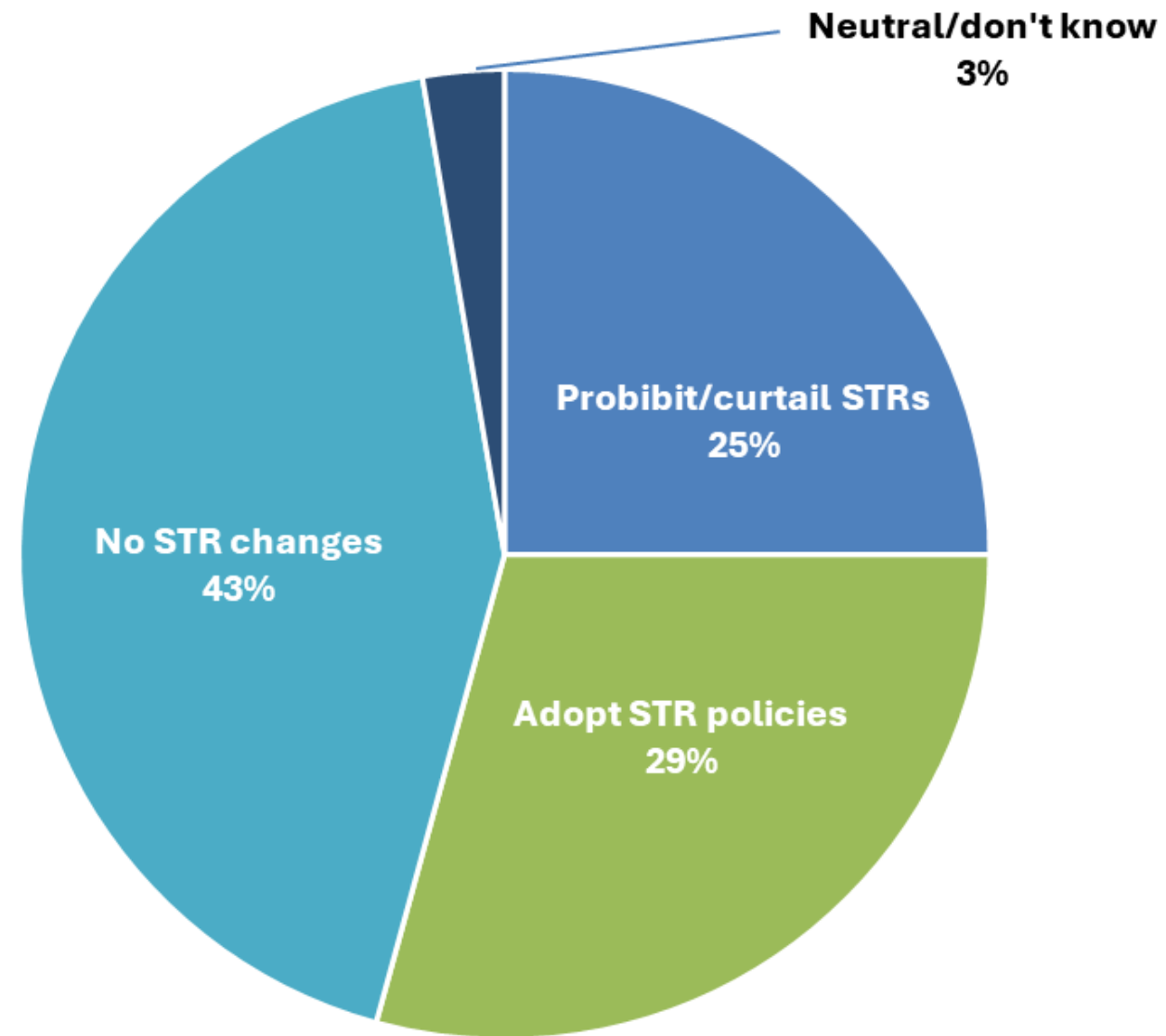
▶ 388 responses to online survey



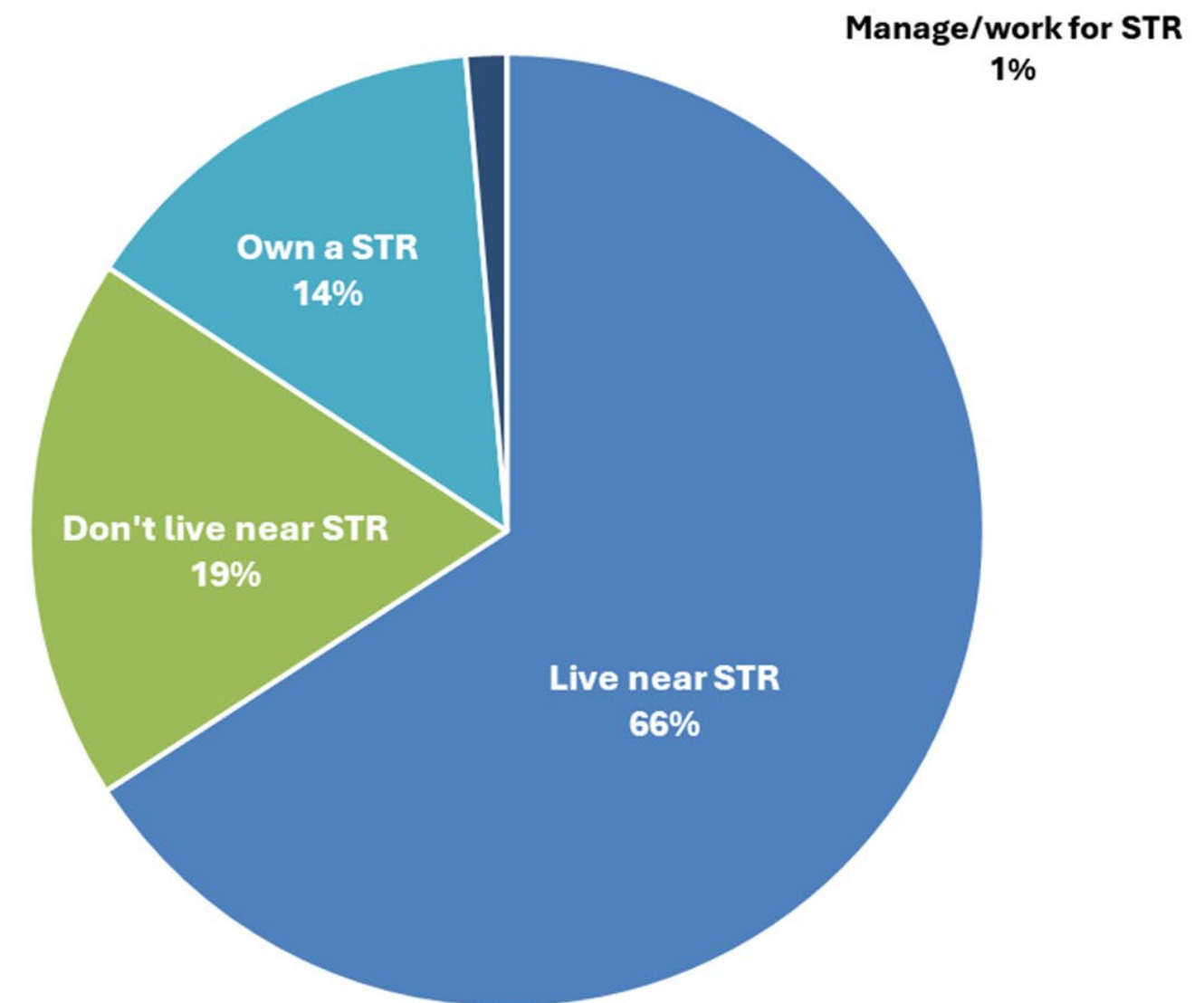


# Opinions and Connections

What is your general opinion of STRs in Alexandria?



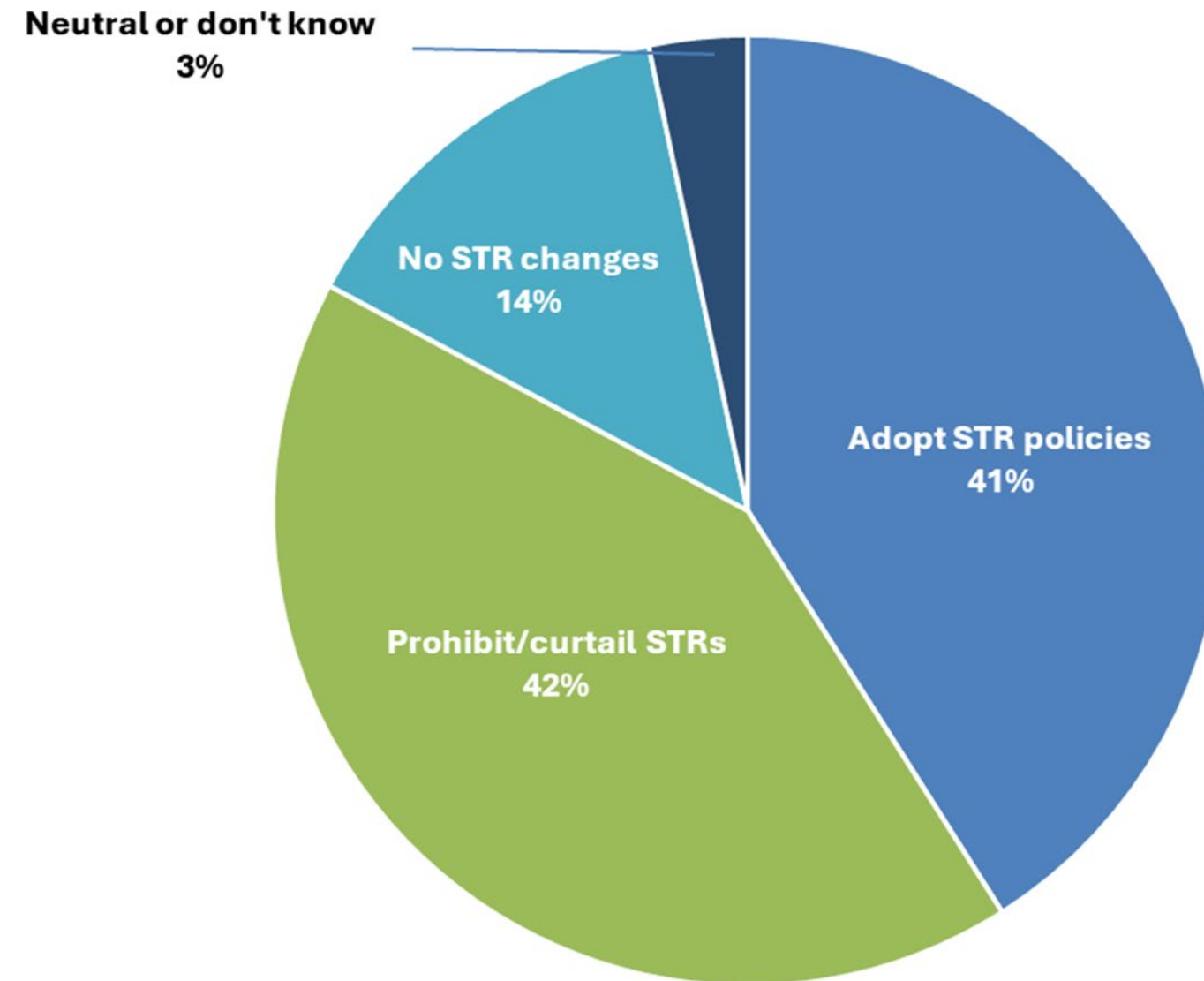
What is your connection to STRs in Alexandria?





# Opinion of STRs and Regulations

General opinion of residents who live near STRs



# General Opinions of Proposed Regulations



▶ More than 1,200 comments generated

## Positives

- Mandatory registration
- Neighbor notification
- Good Neighbor Guide
- Occupancy limitations
- Operators/agents live within a specific distance and available 24/7
- Prohibition on parties and gatherings
- 3-5 strikes rule

## Negatives

- Skepticism about enforcement/do better at enforcing current regulations
- City is trying to regulate infrequent or non-existent issues/overregulation
- High fees
- Excessive regulatory burden on responsible owners
- Allowing multiple vehicles exacerbates parking challenges
- Inadequately addresses housing affordability

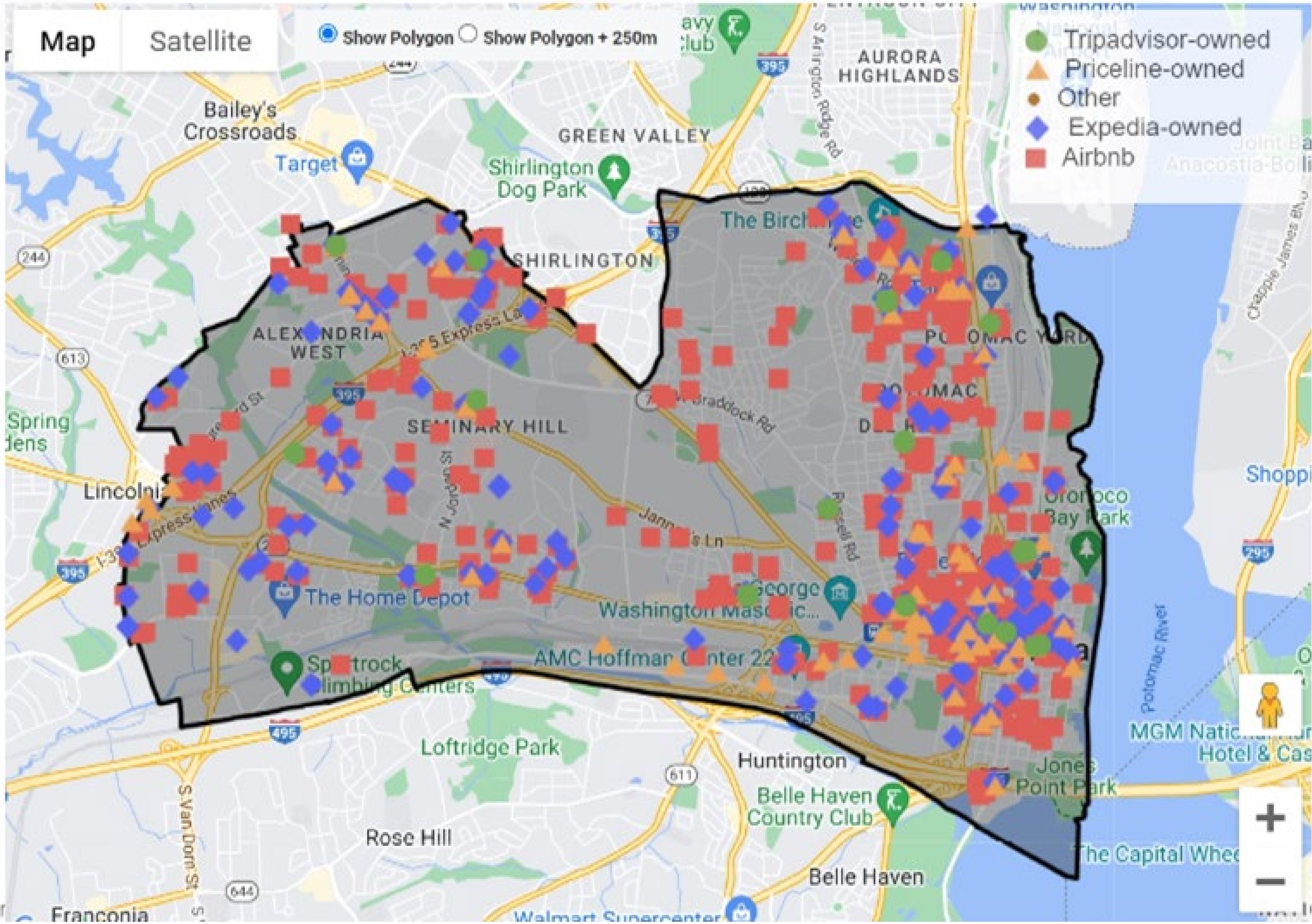


# Suggestions for Improving Regulations

- Better enforcement in general needs to be a priority for the city
- Tailor regulations based on type of property (owner-occupied vs. owner unoccupied)
- Reduced fees for owner-occupied or properties rented for less than 30 days per year
- Incentives for exemplary operators such as waiving/reducing fees
- Neighbor notification limited to abutting properties only
- Minimum age to rent (age 25)
- Minimum two- or three-night rental required
- Require ID of primary guest/renter rather than maintain a guest log
- Include mechanism for mediation between neighbors and operators to address complaints and concerns
- Establish an appeal process for revoked permits
- Discourage multiple STRs per operator/prohibit 3 or more STRs under one operator



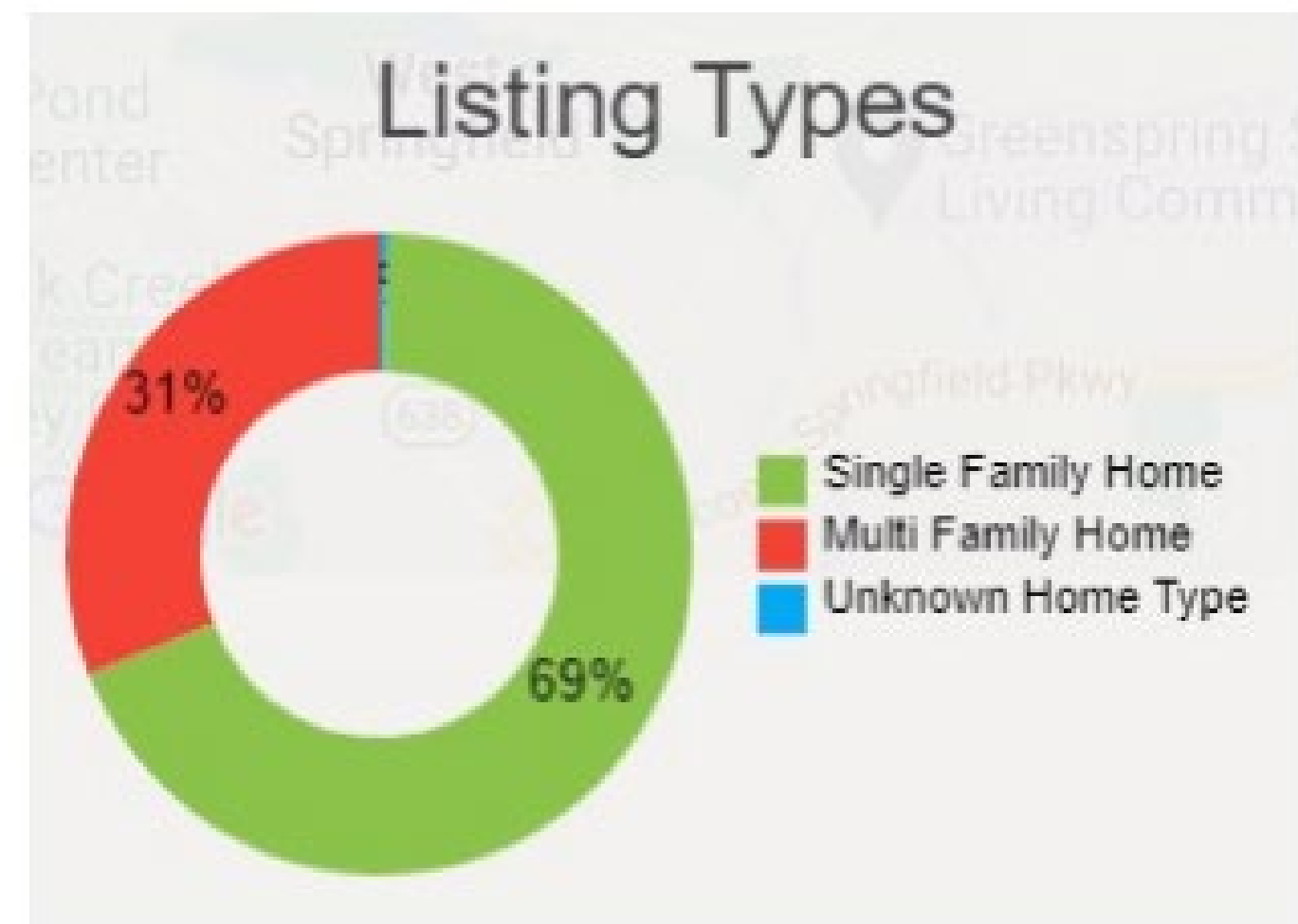
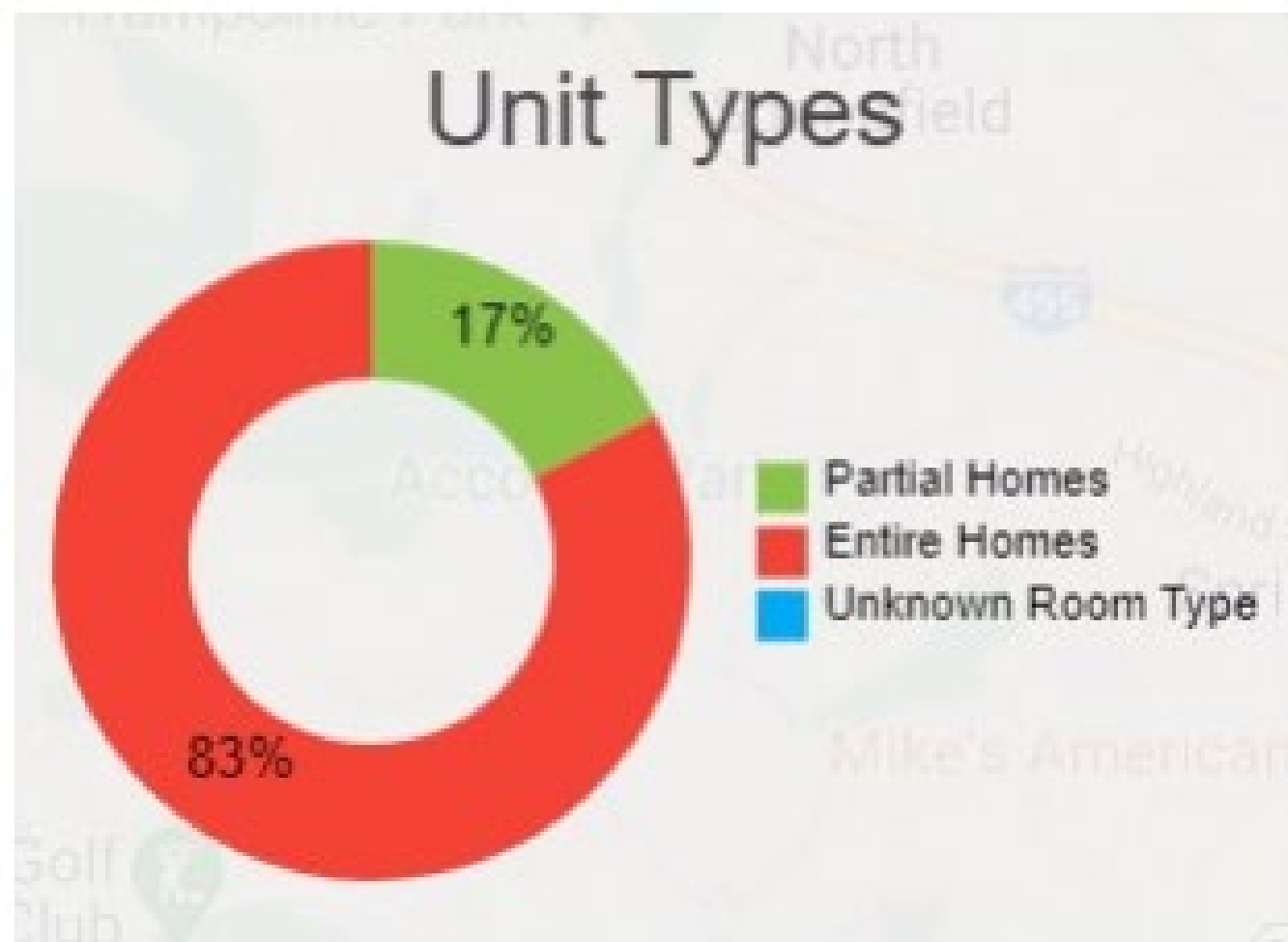






# Guests and Operators

- ▶ Segment of the traveling prefers STRs
- ▶ Supplemental income for homeowners and employees
- ▶ Bridge gap between completion and full lease-out of building



# Benefits



- ▶ Tax revenue generated by Alexandria short-term rentals

	<b>Short-Term Rental, Local TOT</b>	<b>Estimated Local Sales Tax, 1%</b>	<b>Approximate Total Local Short-Term Revenue</b>	<b>Approximate State TOT, 3%</b>	<b>Approximate State Sales Tax, 5%</b>	<b>Combined Total Approximate State Tax</b>
FY22	\$872,934	\$119,525	\$992,459	\$358,574	\$597,624	\$956,198
FY23	\$2,209,975	\$302,597	\$2,512,572	\$907,790	\$1,512,983	\$2,420,773
<b>FY24 Yr End</b>	<b>\$2,798,680</b>	<b>\$383,204</b>	<b>\$3,181,884</b>	<b>\$1,149,612</b>	<b>\$1,916,019</b>	<b>\$3,065,631</b>

- ▶ Guests spending is local businesses