



December 4, 2017

RE: Short Term Rental Text Amendment

Dear Ms. Hays and members of the Planning Commission:

BASE, Business Alliance for a Sound Economy, is an organization that advocates for business and industry in southeastern North Carolina. BASE has a range of business members, as well as formal advocacy partnerships with groups like the Wilmington Chamber of Commerce, Wilmington-Cape Fear Home Builders Association and Brunswick County Association of REALTORS®. Our mission is to support public policy that attracts a mix of business and industry and enhances economic opportunities in southeastern North Carolina

As we noted in October, we appreciate the time and hard work by both the Planning Commission and City staff as you wrestle with this complicated short term rental issue. Our City remains a major destination community with a huge tourism component. As a region, we continue to see significant economic benefit from lodging options that meet the needs of a range of potential visitors, guests and local citizens. As the Comprehensive Plan illustrates, our community will have a growing need to embrace mixes of uses within districts in our small urban footprint.

Unfortunately, there isn't a silver bullet to address the perceived short term rental problem. This is further supported by the wide range of approaches shown in the Benchmark Cities analysis. Many other municipalities in a range of states have tried—and failed—to get their arms around this complex property rights issue. In North Carolina, there appear to be unanswered questions regarding short term rental ordinances and how they comply with NC law (single family use) and the Vacation Rental Act. Based on the experiences of other cities in North Carolina and the fact that entities like the UNC School of Government, General Assembly and Real Estate Commission haven't weighed in, we would reiterate the path forward is unclear.

The current draft up for consideration at your December meeting would create more complex regulations at a time when there is already an enforcement challenge. While an overall registration process may provide clarity, how many additional employees, equipment and vehicles will be required to staff this program? From a policy standpoint, restricting registrations to "natural persons" or only one person is unnecessary. The proposed distance limits between structures is unwieldy. The cap on supervisors living more than 20 miles away seems unenforceable.

Specifically aiming at the 16 short term rentals in the Historic District and creating separate whole house criteria is further confusing the issue. Attempting to further restrict maximum bedrooms and minimum parking will only cause more enforcement headaches. The additional parking requirements seem to ignore the realities of the current environment which promotes walkability, transit and less impervious areas for stormwater.

Again, the complaints that we have heard regarding short term rentals don't really deal with the short term or long-term length of stay—it seems to be more about the behavior of the potential occupant. Thus, the issue is really about enforcement. If there are noise or trash or parking issues, it would be helpful to have data on these infractions so the City can enforce its existing ordinances or craft new ones.

In closing, while we appreciate the hard work, we would like to again formally request that this issue be set aside. Instead of being mired down with this topic, we look forward to working with you on the implementation of the Comprehensive Plan and overhaul of the City's antiquated land development code.

Thank you for the opportunity to provide comment.

Tyler Newman, President & CEO

BASE