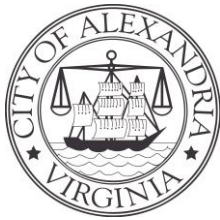


DOCKET ITEM #6
Text Amendment #2024-00011
Short-Term Residential Rentals

Issue: (A) Initiation of a Text Amendment and (B) Public Hearing and consideration of a Text Amendment to the Zoning Ordinance to amend Article VII Supplemental Zone Regulations section 7-1400 to create a Short-Term Residential Rental program including the establishment of sections 7-1402 - Definitions, 7-4103 - Regulations, 7-1404 - Permits, and 7-1405 - Non-contravention; delete Section 7-203(7) related to the maximum number of days an accessory dwelling may operate as a short-term residential rental; and amend section 7-302 to clarify that short-term residential rentals are not regulated as a home occupation.	Planning Commission Hearing:	February 4, 2025
	City Council Hearing:	February 22, 2025
Staff: Tony LaColla, AICP, Division Chief, anthony.lacolla@alexandriava.gov Christina Brown, Deputy City Attorney, christina.brown@alexandriava.gov Ann Horowitz, Principal Planner, ann.horowitz@alexandriava.gov Sam Shelby, Principal Planner, sam.shelby@alexandriava.gov		
PLANNING COMMISSION ACTION, FEBRUARY 4, 2025: On a motion by Vice Chair McMahon, seconded by Commissioner Lyle, the Planning Commission voted to initiate ZTA#2024-00011. The motion carried on a vote of 7 to 0. On a motion by Vice Chair McMahon, seconded by Commissioner Lyle, the Planning Commission voted to recommend approval of ZTA#2024-00011 including incorporating recommended changes from staff's memorandum dated 2/3/2025 and requesting staff incorporate changes related to noticing requirements based on Planning Commission discussion. The motion carried on a vote of 7 to 0. Reason: The Planning Commission agreed with staff analysis but recommended changes to section 7-1403 – Regulations and section 7-1404 – Permits. Questions: Chair Macek requested clarification that no matter how the room or home is booked, online or offline, the short-term rental regulations would still apply. Staff confirmed they would apply. He also indicated support for the staff memo dated 2/3/2025 recommending changes to allow events at properties in non-residential zones. Commissioner Macek requested clarification that short-term rental operators in non-residential zones who desire to convert a property to an event venue as the primary use could do so through another process. Staff confirmed that short-term rental operators may convert their properties to event venues as the primary use provided they obtain an administrative special use permit for a restaurant use.		



DOCKET ITEM #6
Text Amendment #2024-00011
Short-Term Residential Rentals

Commissioner Lyle enquired as to who monitors the 24/7 hotline staff mentioned during the presentation. Staff confirmed it would be a third-party U.S. based human call-service and not city staff. Staff further explained the process of taking calls, reaching out to operators, and follow up with complainants and city staff.

Public Speakers:

Michael Peckman (support): Resident at a home on Jordan Court. Mr. Peckman described issues related to parking, noise, and large parties at the 4504 Jordan Court short-term rental and indicated support for the proposed regulations and permit requirement. He requested the city amend how residential parking permit districts are established and managed.

Lawrence Barret (support): Resident at a home on Jordan Court since 1992. Described issues faced over the previous year with the short-term rental at 4504 Jordan Court. He supports the proposed regulations.

Keith Calhoun (support): Resident at a home on corner of Pendleton and West Street. There are four short-term rentals nearby that generate noise and parking issues. One short-term rental has issues with property maintenance. He expressed support for the text amendment. Mr. Calhoun asked if the city plans to regulate the density of short-term rentals in neighborhoods such as his. Staff indicated that regulation of short-term rental densities is not part of the current proposed text amendment.

Discussion:

Commissioner McMahon asked if there would be a publicly accessible GIS map or database of permitted short-term rentals. Staff indicated that due to security concerns, there are no plans to post that information on the city's website, but staff will share operator/registered local agent information for specific rentals when requested by residents.

Chair Macek asked if listing platforms will remove short-term rentals when the city revokes a permit. Staff indicated that it depends on the platform itself. Airbnb is easier to work with and will respond to requests from local jurisdictions to remove specific rental, but not all platforms are as responsive.

Commissioner Lyle suggested extending the mailed notice to the four houses on each side or within a 50- or 100-yard radius, not only abutting properties. Chair Macek stated he generally supports extending the notification radius but asked for staff to propose an expanded notification radius they feel is acceptable.

Commissioner Brown stated the proposed regulations strike a balance between the free market and protection of neighborhoods and went on to add that we can always make changes as necessary.



DOCKET ITEM #6

Text Amendment #2024-00011

Short-Term Residential Rentals

Planning Commission recommended the following changes:

7-1403 – Regulations.

(B) ~~Parties and Events.~~

- (1) Residential zones. Activities, including luncheons, banquets, parties, weddings, meetings, fundraising, or any other gathering of people exceeding the maximum number of occupants are prohibited at all times.
- (2) Commercial, office, industrial, and mixed-use zones. Short-term residential rentals located in commercial, office, industrial, or mixed-use zones may host occasional events as an accessory use and must comply with the following:
 - (a) Hours of events shall be limited to 9:00 a.m. and 10:00 p.m. Sunday through Thursday, 9:00 a.m. and 11:00 p.m. Friday and Saturday.
 - (b) Loading, unloading, and deliveries for events shall be prohibited between 11:00 p.m. and 7:00 a.m.
 - (c) Food, beverages, and other materials associated with events shall not be stored outside.
 - (d) Trash and garbage shall be stored inside or in sealed containers that do not allow odors to escape or invasion by animals. Trash and debris shall not be allowed to accumulate outside of those containers.
 - (e) Litter on the site and on public rights-of-way within 75 feet shall be monitored and picked up at the end of events and more often, if necessary.

The recommended changes to section 7-1403(B) are supported by staff.

7-1404 – Permits.

(B) Notice. Upon the director's acceptance of the application, applicants shall, by registered or certified mail, send written notice to the owner of the subject property, if different from the applicant, and to ~~the owners of all abutting property~~ all residential properties within 100 feet of the subject property on such forms as the director may prescribe. In the case of a condominium, written notice may be sent to the president of the board of the unit owners' association instead of to each individual unit owner. Restricted delivery or return receipt is not required. The administrative permit shall be granted only after confirmation of proper written notice. Any change in the information listed on the written notice during the operation of the short-term residential rental shall require renotification. Written notice shall include, but is not limited to, the following:

The recommended changes to section 7-1404(B) are not supported by staff.

I. SUMMARY

Staff propose amendments to the Zoning Ordinance to regulate short-term residential rentals. With these amendments, staff intends to:

1. Create new definitions related to short-term residential rental uses.
2. Establish new regulations and emphasize existing regulations operators would be required to follow.
3. Establish a permit requirement for the operation of short-term residential rentals.
4. Establish standards for the denial or revocation of a short-term residential rental permit in the event a property becomes a nuisance to a neighborhood.

II. BACKGROUND

Short-term residential rentals are dwelling units or spaces within existing homes typically rented for periods of less than 30 consecutive days and are usually marketed through platforms like Airbnb and VRBO. Short-term rentals are often located in residential neighborhoods and provide an alternative to traditional accommodations such as hotels, offering a lodging option for a segment of the population that prefers a homier neighborhood-based environment or families and larger groups that wish to stay together in one space rather than multiple hotel rooms. They often provide supplemental income for homeowners, bridge a gap between completion and full lease-out of an apartment building, and provide additional tax revenue for local jurisdictions.

In 2017, the Virginia General Assembly adopted a law that allows a locality to adopt an ordinance to establish a local short-term rental registry. In 2018, Alexandria established its short-term rental registry which is maintained by the Department of Finance. At the time of the registry adoption, the City Council determined that the regulation of short-term rentals should be handled via existing City Code and Zoning Ordinance regulations.

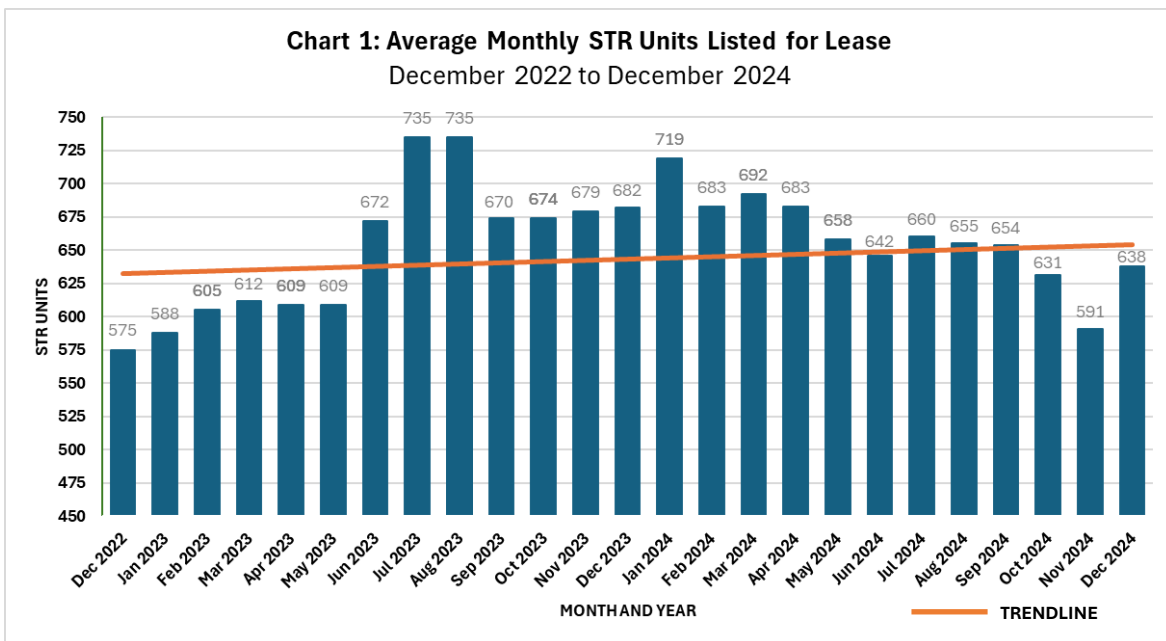
Although short-term rentals have existed in Alexandria for nearly a decade, their rapid growth during the COVID-19 pandemic (2020-2022) sparked significant community discussion about their effects on neighborhood character and quality of life. Responding to resident concerns, in February 2024 City Council requested the Department of Planning & Zoning to analyze short-term rental growth trends and complaint trends as well as assess the broader impacts of short-term rentals on the city. By May 2024, staff delivered a report to Council, summarizing available data and outlining a work plan for developing a regulatory framework to address these issues.

By the numbers

According to a 2024 report by Key Data, titled *Vacation Rental Industry Outlook 2025*, the growth in short-term rentals has been decelerating since 2022 and is expected to remain

slow through 2026. Data from Inside Airbnb estimates that urban short-term rental growth will be only 0.8% in 2025, compared to 2.8% in 2023 and 3.4% in 2019. The slowdown, particularly evident in major metro areas, is triggered by a combination of factors including a saturated market and oversupply of short-term rentals; higher cleaning and maintenance costs; more competitive annual lease rates due to a significant increase in rental costs; higher interest rates; and larger short-term rental investors shifting into the small boutique hotel market.

In December 2022, utilizing third-party provider Granicus Host Compliance, Alexandria began tracking all short-term rentals listed on every major short-term rental listing platform/website. Mirroring national trends, short-term rental market growth in Alexandria has been relatively limited over the last two years (*Chart 1 -Trendline*). Listings in Alexandria also tend to be cyclical, with monthly averages ranging from a low of approximately 575 to a peak of approximately 735 (*Chart 1*). Seasonal fluctuations align with increased demand during summer travel months and major events such as the recent Presidential Inauguration. The average annual number of short-term rentals listed for lease is 644.



At any given time, approximately 0.8% of the city's 80,300 units housing units are listed on the market as owner occupied (~17%) or owner unoccupied (~83%) short-term rentals. Owner-occupied short-term rentals include dwelling units where the owner lives in the home and rents only a portion of their home to guests, perhaps a bedroom, mother-in-law suite, or Accessory Dwelling Unit. Owner-unoccupied short-term rentals are dwelling units where the owner lives off property and guests have full use of the home.

Based upon short-term rentals currently registered with the Department of Finance, most operators in Alexandria operate one or two short-term rentals. Only five companies or individuals operate more than two short-term rentals. Those include:

Mint House	24 units at Bell Old Town Apartments (750 Thronton Way)
Sonder	16 units at Kasa Del Ray Apartments (2415 Mt. Vernon Ave.)
U. Njoku	16 units in various locations
Vector Travel	11 units at Arrive Alexandria Apartments (240 Yoakum Pkwy)
K. Stover	8 units at 116 N. St. Asaph (4 units) and 118 N. Alfred St. (4 units)

Complaints

Since the establishment of the Short-Term Residential Registry in January 2018, Alex311 has recorded 62 complaints related to short-term rentals, with 32 of these complaints reported in 2024. This surge in 2024 may reflect public awareness of the Short-Term Residential Rental Study and a better-informed community. Among the 62 complaints, 32 involve properties with two or more reported issues. It is important to note that not all complaints are violations of city codes or ordinances.

Table 1 below provides a summary of complaints submitted via Alex311 between January 1, 2018, and December 31, 2024. To protect privacy, the last two digits of each address have been removed, and properties with two or more complaints are color-coded for clarity.

Two short-term rental properties stand out with six or more complaints since 2018: one on the 300 block of Wesmond Drive (highlighted in yellow) and another on the 4500 block of N. Jordan Court (highlighted in light green). Additionally, a short-term rental on the 100 block of W. Taylor Run Parkway has logged four complaints (highlighted in pink).

Most complaints pertain to issues such as trash, noise, “party houses,” and parking. These concerns mirror trends seen nationwide, where the growth of short-term rentals has led communities to adopt local ordinances to manage similar challenges. The Zoning Text Amendments being proposed by staff have been drawn from hundreds of other communities throughout Virginia and the United States that have already established regulations and a permit system.

Table 1: Short-Term Rental Complaints via Alex311 - Jan. 1, 2018 to Dec. 31, 2024

2018		
Date	Location	Complaint
2018		
3/21/2018	7XX S FAIRFAX ST	Parking: guests park in RPP and not being ticketed
9/10/2018	3XX E GLEBE RD	Noise and Trash: loud guests and trash left on ground
2019		
11/8/2019	2XX JEFFERSON ST	Occupancy: concern about number of guests
12/17/2019	3XX WESMOND DR	Trash: overflowing bins, dog poop on neighbors yard
2020		
3/11/2020	JEFFERSON ST (Full block)	Parking: STRs causing parking issues on the street
3/15/2020	1XX N GORDON ST	Noise, Parking, Party House: 8 bedroom STR with loud guests, parking issues for neighbors
5/10/2020	3XX WESMOMD DR	Maintenance: overgrown grass
5/10/2020	3XX WESMOND DR	Maintenance: overgrown grass
5/10/2020	3XX WESMOND DR	Maintenance: overgrown grass
12/14/2020	2XX JEFFERSON ST	Trash: bin left on curb after pick-up
2021		
2/6/2021	3XX WESMOND DR	Parking: Guests parking in wrong space in alleyway
2/7/2021	11XX DUKE ST	Noise and Trash: Loud guests, children running, trash overflowing from bins
3/31/2021	11XX DUKE ST	Noise: vibrations and furniture being dragged
7/2/2021	5XX N ST ASAPH ST	Maintenance: STR guest called with concerns about safety of home, code issues
7/27/2021	1X E TAYLOR RUN PWY	Trash: floated down street during storm
7/27/2021	2X E TAYLOR RUN PWY	Trash: floated down street during storm
2022		
2/3/2022	2XX WESMOND DR	Other: cooking caused smoke detector to be set off
3/22/2022	52XX CHAMBLISS ST	Party house: too many guests who are loud
8/1/2022	2XX WESMOND DR	Other: 5 year old urinating in front yard
2023		
1/18/2023	3XX WESMOND DR	Trash: bins placed on curb too early
1/30/2023	12XX KING ST	Trash: STR guests using trash/recycling containers of adjoining residents
3/3/2023	5XX N COLUMBUS ST	Trash: illegal dumping of mattresses, bed frame and fan in alley
5/8/2023	1XX LYNHAVEN DR	Party house: party all night, broken glass
6/7/2023	1XX TAYLOR RUN PWY	Trash: pile of trash on side of building for months
6/21/2023	56XX FILLMORE AVE	Maintenance: STR guest called with concerns about mold in basement
7/31/2023	11XX VASSAR RD	Occupancy and Noise: too many people and quite a bit of noise
9/21/2023	3XX N WASHINGTON ST	Trash: bins left curbside for days
10/16/2023	2XX N HENRY ST	Party house: loud party, too many people
12/23/2023	45XX N JORDAN CT	Trash: bins left curbside for days
2024		
1/22/2024	7XX A W GLEBE RD	Noise: slamming doors, kids screaming late into night
2/15/2024	10XX GIBBON ST	Trash: not disposed of in trash bins
3/2/2024	45XX N JORDAN CT	Trash: bins left curbside for days, trash placed in recycling bin
3/16/2024	45XX N JORDAN CT	Trash: bins left curbside for days
3/19/2024	2XX WESMOND DR	Other: smoke detector going off every 30 seconds, guest refused city entry
3/21/2024	6XX S HENRY ST	Occupancy: potential overcrowding
3/23/2024	1XX W TAYLOR RUN PWY	Trash: debris sitting on side of building for months
4/10/2024	1XX W TAYLOR RUN PWY	Trash: uncollected for weeks
4/19/2024	1XX W TAYLOR RUN PWY	Trash: uncollected for weeks
4/10/2024	45XX N JORDAN CT	Party house: 10 guest cars parked on property and street
5/6/2024	2XX S UNION ST	Trash: bins put out on non-pick-up days
5/14/2024	45XX N JORDAN CT	Trash: bins regularly overflowing/trash on ground
5/19/2024	7XX A W GLEBE RD	Noise: guests making noise through shared wall until 2 a.m.
5/21/2024	38XX TAFT AVE	Maintenance: 12 inch high grass
6/20/2024	3XX WESMOND DR	Trash: bins overflowing
6/21/2024	45XX N JORDAN CT	Trash: bins left on the street after pick-up
6/23/2024	2XX WESMOND ST	Other: Lime scooters left on street by guests
7/1/2024	36XX GUNSTON RD	Maintenance: STR guest called to report roaches
7/5/2024	36XX EDISON ST	Dogs: guests bring dogs and leave them in the home for hours while not there
7/23/2024	3X E LINDEN ST	Parking: large number of cars parked on street
7/31/2024	3XX N WASHINGTON ST	Noise: guests arrive late and make noise, all lights on, occupancy and maintenance
8/11/2024	3XX N WASHINGTON ST	Lights pollution: all lights on inside property
8/26/2024	5X E REED AVE	Trash: bins placed on street too early
9/2/2024	3XX N WASHINGTON ST	Trash: bins left curbside for more than a week
9/7/2024	4X S FRENCH ST	Parking: guests blocking driveway access
9/11/2024	3X S FRENCH ST	Trash: bins left curbside for days
9/14/2024	3XX N WASHINGTON ST	Signage: temporary tripod sign on sidewalk advertising wedding shower
9/16/2024	3XX WESMOND DR	Trash: bins overflowing
9/19/2024	3XX WESMOND DR	Trash: bins overflowing
9/20/2024	3XX WESMOND DR	Noise: guests yelling at each other in front lawn until 2:15 a.m.
9/24/2024	3XX WESMOND DR	Trash: bins overflowing
12/3/2024	3XX N WASHINGTON ST	Trash: STR operators redistributing trash into neighboring properties

Tax revenue

Due to state legislation that went into effect on October 1, 2022, short-term rental platforms are now required to collect and submit transient occupancy and sales taxes to the city and state. Since implementation of the law, tax revenue has increased significantly. In Fiscal Year 2024, short-term rentals generated nearly \$3.2 million in tax revenue for the city and now account for about 19% of the total local Transient Occupancy Tax (TOT) generated (Table 2). Additionally, in Fiscal Year 2024, short-term residential rentals in Alexandria generated nearly \$3.1 million for the State of Virginia.

Table 2: Annual Transient Occupant Tax and Sales Tax Generated by Short-Term Rentals

	City of Alexandria			State of Virginia		
Fiscal Year	STR Transient Occupancy Tax (6.5% +\$1.25)	STR Sales Tax (1%)	Total Local STR Revenue	STR Transient Occupancy Tax (3%)	STR Sales Tax (5%)	Total State STR Revenue
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
FY24	\$2,798,680	\$383,204	\$3,181,884	\$1,149,612	\$1,916,019	\$3,065,631

Policy goals

Drawing on examples from hundreds of other jurisdictions, Alexandria has an opportunity to balance neighborhood preservation with the benefits of this evolving industry. Given the need to address concern about the negative impacts of short-term rentals as well as maintain short-term rentals as a lodging option, staff have crafted policy recommendations that are simple, sensible, and enforceable.

II. DISCUSSION OF PROPOSED TEXT CHANGES

The most common complaints related to short-term rentals are addressed through current city codes; particularly those related to noise and trash. To augment the city code, staff are proposing zoning text amendments that include the establishment of regulations to limit occupancy, prohibit large parties and events, and establish parking minimums. Staff are also proposing better short-term rental occupant education through the provision and posting of a Good Neighbor Guide.

Staff also propose the creation of a Short-Term Residential Rental Permit which would authorize the operation of short-term rentals in any residential dwelling unit and in any zoning district which permits residential dwellings provided the operator can meet occupancy, parking, and fire safety requirements. As part of the permitting process, the operator would be required to notice abutting properties, providing contact information and ways to submit complaints to them and the city. If a short-term rental becomes a nuisance

through a track record of code and ordinance violations, the city will have the ability to revoke the permit, an ability which does not currently exist.

Staff propose amendments to the Zoning Ordinance Article VII Supplemental Zone Regulations Section 7-1400 to create a Short-Term Residential Rental Program including the establishment of sections 7-1401 - Purpose, 7-1402 - Definitions, 7-1403 - Regulations, 7-1404 - Permits, and 7-1405 - Non-contravention.

The proposed regulations would apply to any property in any zone while under lease as a short-term residential rental. The regulations do not apply to operators who are using their short-term rental property for their own personal use.

7-1402 – Definitions

Staff proposes to create the following definitions under section 7-1402.

Operator. A party having a legal interest in any dwelling offered as a short-term residential rental.

Registered local agent. A party designated by the operator to perform obligations under city law related to a short-term residential rental.

Short-term residential rental. The provision of a room or space that is suitable or intended for occupancy for dwelling, typically for a period of fewer than 30 consecutive days, in exchange for a charge for the occupancy.

7-1403 – Regulations

The proposed text amendments establish regulations that all short-term residential rental operators and their occupants would be required to follow.

Occupancy

Staff propose to limit occupancy to two occupants per bedroom plus two additional occupants at all times, day or night, excluding children 3 years of age and under. As an example, if a short-term rental has two bedrooms, the maximum occupancy would be six people at any time. If the short-term rental contains four or more bedrooms, the maximum occupancy would be 10 at any time. No more than 10 occupants would be permitted in any short-term rental regardless the number of bedrooms in the dwelling unit.

Total number of bedrooms	Studio/1	2	3	4+
Maximum Occupancy	4	6	8	10 max.

Parties and events

During public outreach, the community voiced concern about “party houses” and the use of short-term rentals for large parties and special events. The maximum occupancy applies to all visitors, not just to overnight visitors, and so it will have the effect of prohibiting large gatherings. However, the community has requested a specific prohibition on large parties and events to safeguard against undesired noise and parking issues. A prohibition on any party or event where the gathering exceeds the maximum occupancy has been proposed for residentially zoned properties.

Based on public feedback after the release of the text amendment language and a recommendation from the Planning Commission, staff have amended the proposed text amendment language to allow events which exceed the maximum occupancy in commercial, office and mixed-use zones only if events are accessory to the short-term rental use and comply with specific standards related to hours of operation; delivery and pick-up hours; outdoor storage of food and materials; and trash removal. Accessory use generally means less than 1/3 of the total floor area or revenue. Regarding short-term residential rentals, accessory would generally mean total revenue or bookings.

Parking

To address concerns related to guest parking, staff are proposing the establishment of parking minimums for short-term residential rentals. Outside the enhanced transit area (ETA), operators would be required to provide 0.75 parking spaces per bedroom. Within the enhanced transit area, operators would need to provide 0.25 space per bedroom. Calculations of parking spaces that result in a fractional number of one-half (0.5) or more are rounded up to the next whole number.

Total number of bedrooms	1	2	3	4	5
Spaces required outside ETA	1	2	2	3	4
Spaces required within ETA	0	1	1	1	1

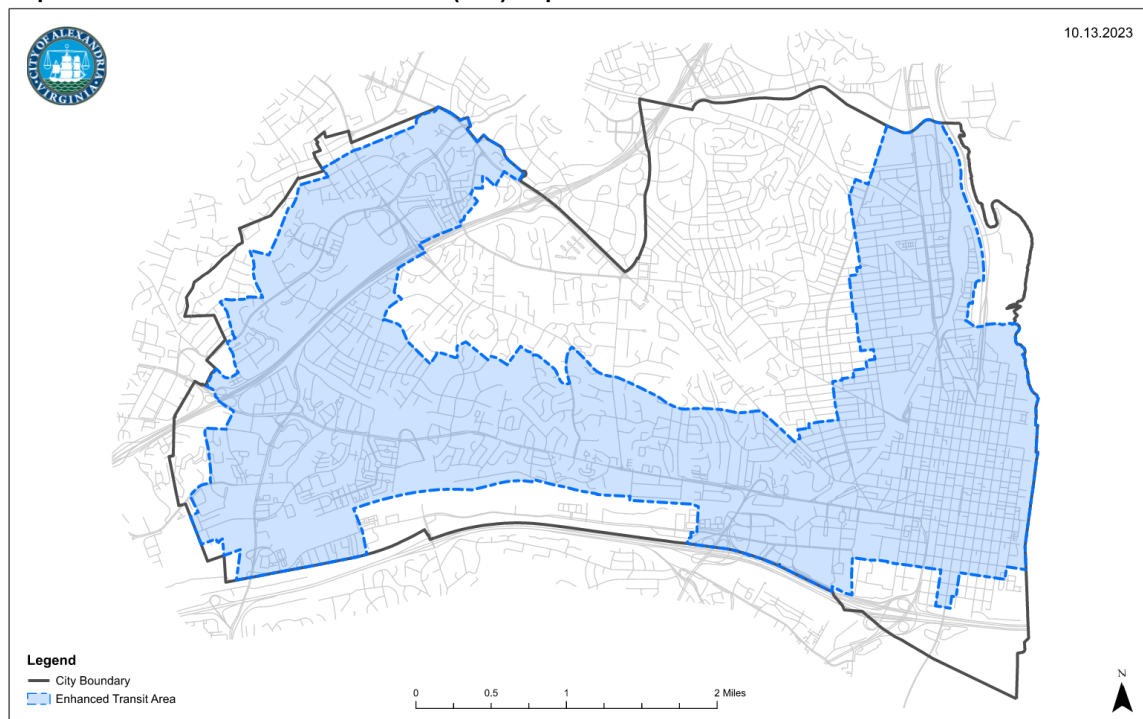
The proposed short-term residential rental parking ratio would exceed the current residential parking requirements, which are 0.5 spaces per dwelling unit (not per bedroom) outside the enhanced transit area and no minimum parking requirement within the enhanced transit area. Additionally, the requirement would also exceed the minimum parking requirements for hotels, which are 0.2 spaces per bedroom within the enhanced transit area and 0.25 spaces per bedroom outside the enhanced transit area.

For those properties that have no on-site parking or only one on-site parking space, the operator may count no more than two on-street parking spaces toward the minimum

parking requirement. For operators that cannot provide all required parking on-site or on-street, staff proposes allowing parking to be provided within 500 feet linear of the property via a signed parking agreement which must be submitted at the time of application.

For those properties located within a Residential Parking Program (RPP) district, up to two “visitor” permits may be used to meet the minimum parking requirement. The City issues RPP “visitor” permits for the vehicle of a person who stays at a residence within a permit parking district for more than 24 hours. “Visitor” permits valid for longer periods of time (8-30 days) may be obtained for a fee of \$5. Permits are not renewable for the same vehicle, and no more than two “visitor” permits will be issued to the same residence at the same time.

Map 1: Alexandria Enhanced Transit Area (ETA) Map



Noise

Noise is regulated through City Code Title 11, Chapter 5 – Noise Control. Staff is not proposing additional noise regulations; however, operators will be required to post quiet hours and request guests keep noise to a minimum at all times of day. Staff found establishing noise regulations within the Zoning Ordinance would be redundant as regulations already exist under City Code.

Trash and recycling

Trash and recycling collection, as well as the proper disposal of trash, are regulated through City Code Title 5, Chapter 1 – Solid Waste Control. Staff are not proposing additional solid waste regulations; however, operators will be required to post information about proper waste disposal. Staff found establishing solid waste regulations within the Zoning Ordinance would be redundant as regulations already exist under City Code.

Accessory dwellings

Accessory dwelling units (ADUs) are permitted on properties with single-unit, two-unit, or townhouse dwellings. Under current regulations, short-term residential rentals are permissible in the principal dwelling unit for up to 365 days per year and in the associated ADU for up to 120 days per year.

Staff proposes removing the restriction in Section 7-203(B)(7), which limits the use of an ADU as a short-term residential rental to 120 days per year. In exchange, a new regulation would prohibit both the principal dwelling unit and an ADU on the same lot from being listed or rented as short-term rentals at the same time. This change aims to balance flexibility for property owners with the need to prevent simultaneous short-term rental operations on a single lot.

Good Neighbor Guide

Staff proposes the creation of a "Good Neighbor Guide" which will be required to be sent to occupants of short-term rentals at least 24 hours prior to arrival and posted in a prominent location within the property. A template for the format of the guide would be prepared by city staff and would outline local rules and expectations for respecting neighbors and the neighborhood, including not exceeding maximum occupancy, notice of 11 p.m. to 7 a.m. quiet hours and request to keep noise levels to a minimum at all times, proper trash and pet waste disposal, proper parking locations including parking expectations and rules, alternative off-street locations, and local transit information. Similar guides are required in other jurisdictions and have proven to be an effective tool to minimize disruptions and maintain positive relations with nearby residents.

While quiet hours and basic expectations related to noise are to be included in the "Good Neighbor Guide," enforcement can only take place when a violation of the Noise Control Ordinance is observed and documented by a city staff member.

Complaint resolution

Staff propose that operators or their local registered agents (property managers) be available by phone 24 hours per day, seven days per week to address complaints or concerns. To prioritize violations that immediately impact a resident's quality of life

including exceeding maximum occupancy, large parties and events, and noise ordinance violations, the city will require a rapid response within one hour otherwise the operator would be liable for civil citations. All other city code and zoning ordinance violations, while potentially a visual nuisance, will be expected to be addressed within standard timeframes established by city codes and ordinances or standard operating procedures.

Inspections

As with any complaint, the city would reserve the right to inspect. Any interior inspection will take place at an agreed upon time between city inspectors and the operator or local agent.

7-1404 - Permits

Permit application

Staff propose that any property operating as a short-term residential rental for more than 10 days per year be required to submit a Short-Term Residential Rental Permit application to the Department of Planning & Zoning for review and approval. The application will contain:

- Contact information for the operator and registered local agent if applicable.
- Whether short-term rental is owner-occupied or owner unoccupied.
- Number of bedrooms and proposed maximum occupancy.
- Proof of legal interest or ownership.
- Maps indicating parking locations to meet minimum parking requirements and excess off-site parking as well as signed parking agreements if applicable.
- Certification safety equipment has been installed.
- Certification that the “Good Neighbor Guide” has been posted in a prominent location.

Neighbor notice

Under the proposed text amendment, short-term rental operators will be required to provide notice via registered or certified mail to all abutting properties. Abutting properties are defined as “all property that touches the property in question and any property that directly faces (and, in the case of a corner lot, diagonally faces) the property in question.” The proposed mailed notice requirement mirrors existing public notice requirements for land use related public hearings and special use permit applications. While the Planning Commission recommended expansion of the notice requirements to all properties within a 100 foot or more radius, staff recommend against the request in order to ensure consistency in public noticing requirements across all land use approval types.

The notice will include the permit number and estimated expiration date, maximum occupancy, contact information for the operator and/or registered local agent, and most importantly, how a resident can submit a City Code or Zoning Ordinance violation compliant to the city. It must be noted that not every issue or complaint is a violation of City Code or the Zoning Ordinance.

Failure to obtain a permit

Staff proposes that operators who have been notified of the permit requirement and are subsequently issued two zoning citations for not complying will be prohibited from operating and applying for a Short-Term Residential Rental Permit for a period of one year.

Revocation or denial of permit

If staff find an application is incomplete or provides misleading information, it may be denied. As with other similar applications, staff will work with applicants to ensure the submitted information is complete and accurate.

While the vast majority of short-term rentals currently operating have no reported issues or violations, staff acknowledges that some properties may occasionally become neighborhood nuisances with multiple documented violations of city codes or ordinances. Currently, the city has very limited authority to halt the operation of such properties. Under the proposed text amendment, staff would gain the ability to revoke permits for properties with repeated violations.

Specifically, a permit will be revoked if a property receives three citations for the same section of a city codes or ordinance. Similarly, five citations for violations of various sections of city codes or ordinances will also result in permit revocation.

In the event of a permit revocation, operators will be given 30-day notice to cease operations. They will have the right to appeal against the revocation through the Board of Zoning Appeals, which includes a public hearing.

Additionally, staff proposes granting the Planning Director the authority to immediately revoke a short-term rental permit, without 30-day notice, in cases where violations or a series of violations pose a significant risk to the health and safety of short-term rental occupants or neighboring residents. This would be in addition to action that could otherwise be taken under other laws. This authority would only be exercised in extreme situations, determined in consultation with other departments such as Code Administration or the Police Department. Examples include properties deemed dangerous to occupants and/or neighbors or those associated with criminal activity that poses a serious threat to a neighborhood.

7-302 - Short-Term Residential Rentals

Staff propose the addition of 7-302 - *Short-Term Residential Rentals* within *Section 7-300 - Home Occupations* to clarify that home occupation use limitations do not apply to short-term residential rentals. Short-term residential rentals are regulated pursuant to section 7-1400.

III. DISCUSSION OF NON-TEXT AMENDMENT CHANGES

The following items are for information only to provide a full picture of other important changes that are proposed to be implemented after the adoption of the proposed zoning ordinance text amendments.

Alex 311

Staff realize Alex311 data related to short-term rental concerns and complaints may not be complete. The Department of Emergency and Customer Communications, which manages and maintains the Alex311 system, has begun working to flag properties with short-term rental permits which will allow staff to better track complaints and report data in the future. Additionally, staff are proposing the creation of a short-term rental response group to ensure complaints are addressed by the appropriate department in a timely manner. Planning & Zoning would serve as the lead in that group and work to coordinate expedited responses to inquiries and complaints.

APEX Permitting

The Information and Technology Services Department (ITS) has begun scoping the development of a Short-Term Residential Rental Permit application through APEX, the city's online permitting system. It is expected to take 4-6 months to develop and deploy the permit system once the proposed text amendments are adopted. In preliminary discussions with third-party short-term rental tracking services, staff have found that APEX can communicate in real time with those services to simplify tracking of both permitted and unpermitted short-term rentals.

Permit Fee

Complaint data indicates that all documented complaints originate from owner-unoccupied short-term rentals. Due to the greater resources required to manage these rentals, staff is proposing an annual permit fee of \$350 for owner-unoccupied short-term rentals and \$100 for owner-occupied short-term rentals. Presently, these are proposed fees which would be finalized during the Planning & Zoning Fee Schedule update later this year, with implementation set for July 1, 2025.

The Short-Term Residential Rental Permit fee is designed to fund additional staffing, contract with a third-party provider for short-term rental tracking, and establish a 24/7 hotline to address after-hours concerns and complaints. The higher fees for owner-unoccupied rentals effectively offset the additional costs associated with managing complaints, monitoring compliance, and ensuring neighborhood compatibility. These fees also contribute to improving service response times.

By aligning fee structures with the operational demands of different rental types, this approach ensures the program remains cost-neutral while addressing the unique challenges posed by owner-unoccupied short-term rentals.

Additional staffing in Planning & Zoning

Planning & Zoning has requested an additional staff member beginning in Fiscal Year 2026, subject to City Council budget approval later this year. The additional staff member would provide additional support to advise operators and local registered agents, process permits, monitor complaints, coordinate interdepartmental responses and inspections, and provide data upon request.

The cost of the additional staff member will be covered through the Short-Term Residential Rental Permit fee, ensuring that the program remains cost neutral.

Short-Term Rental Tracking

The Finance Department currently holds a contract with a third-party provider, Granicus Host Compliance, to monitor and track new and existing short-term rentals on the market. Using artificial intelligence scouring the internet and human cross-checking, third-party providers can identify nearly all short-term rentals currently listed in Alexandria. Staff propose to continue this type of service to ensure compliance with the Short-Term Residential Rental Permit requirement.

The cost of the service is expected to be covered by a Short-Term Residential Rental Permit fee, ensuring it remains cost neutral.

24/7 Hotline

Alex311 is a helpful tool for submitting complaints to city staff; however, the city does not provide 24/7 coverage to address all complaints. After-hours issues on weekdays or weekends may need to wait until the next business day to be addressed. To improve responsiveness, staff propose contracting with a third-party provider to operate a 24/7 hotline. This hotline would enable real-time outreach to permitted operators and registered local agents. Third-party providers would also follow up with complainants to verify issue resolution and escalate unresolved matters to the appropriate city staff member. This approach is particularly critical for high-priority issues such as noise, parties and events,

or maximum occupancy violations, which require resolution within one hour. Similar tools have proven effective in other jurisdictions, including Virginia Beach and Fairfax, by ensuring complaints are resolved more quickly.

It is important to note that not all complaints involve violations of codes or ordinances warranting inspection, though they may still inconvenience neighbors. Common complaints include guests talking loudly or cheering inside or outside, smoking outdoors, dragging suitcases or coolers late at night, children playing or running in adjacent homes, excessive interior lighting late at night, cars parked in incorrect driveways, an unusual number of cars parked on public streets, or guests mistakenly using a neighbor’s trash bin. In such cases, neighbors would be encouraged to either contact the operator or registered local agent directly or call the 24/7 hotline, which can relay the concern on their behalf.

The cost of this service is expected to be covered by the Short-Term Residential Rental Permit fee, ensuring it remains cost neutral.

IV. COMMUNITY ENGAGEMENT

May 28, 2024: Staff presentation to City Council which included a summary of short-term rental complaints, positive and negative impacts on the city, and study timeline.

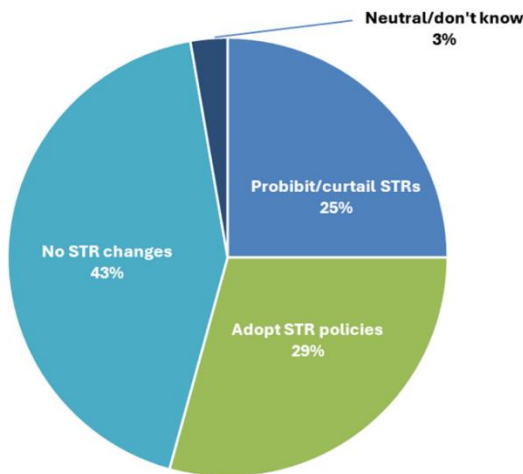
August 15- September 15, 2024: Staff began engagement on August 15, 2024, with an eNews release, press release, and e-mail to community leaders announcing the beginning of Phase I to gather feedback on initial short-term residential policy proposals. Phase I of community engagement included an online narrated video presentation of initial proposed policies. A survey followed the presentation and provided respondents with the ability to comment on proposed regulations and make suggestion for additional regulations or improvements. 388 responses were received, which included over 1,200 comments and suggestions.

Phase I Public Outreach: Summary of Comments	
Positives <ul style="list-style-type: none">• Mandatory permitting• Neighbor notification• Good Neighbor Guide• Occupancy limitations• Operators/agents live within a specific distance and available 24/7• Prohibition on large parties and gatherings• 3-5 strikes rule	Negatives <ul style="list-style-type: none">• Skepticism about enforcement in general/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.

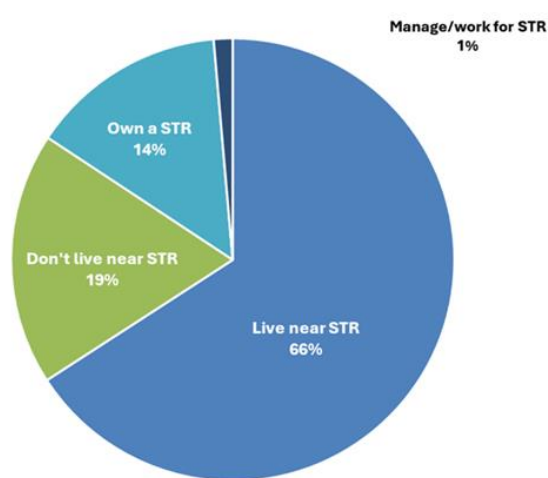
Most commons suggestions for improving regulations:

- 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.

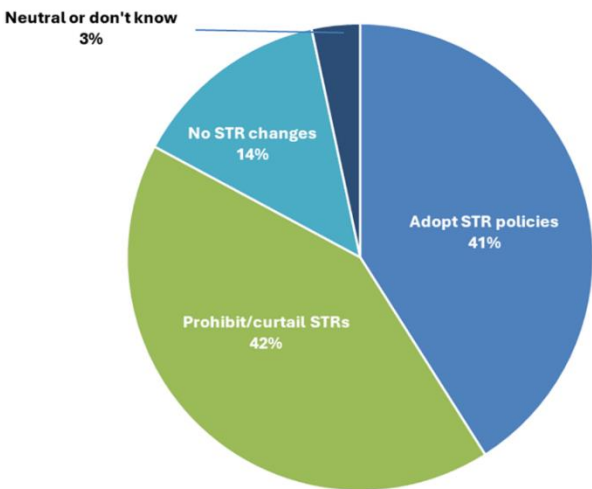
What is your general opinion of STRs in Alexandria?



What is your connection to STRs in Alexandria?



General opinion of residents who live near STRs



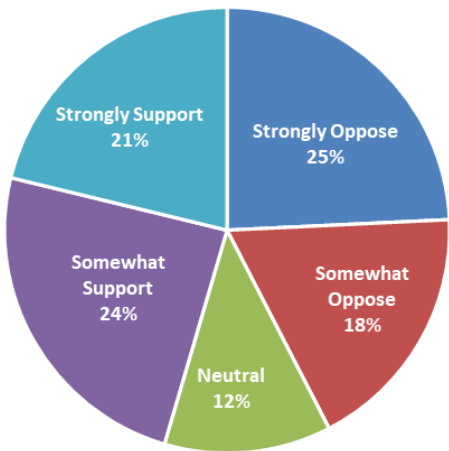
September 2024: Staff collaborated with Visit Alexandria to engage with hotel operators regarding short-term rentals. While hotel operators generally expressed reservations about short-term rentals, they acknowledged that such accommodations could serve as an alternative option for travelers. Overall, hotel operators’ primary focus was on increasing the number of visitors to Alexandria, and they were not entirely opposed to short-term rentals if they contribute to that goal. However, hotel operators emphasized that hotels provide the best value for visitors, citing advantages such as enhanced safety, cleanliness, and accountability in addressing guest concerns.

September 20, 2024: Planning Commission presentation on proposed regulations and collected community engagement data.

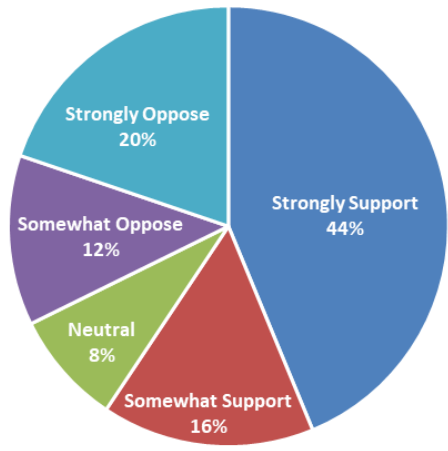
October 29 - November 17, 2024: Phase II of community engagement included a second online narrated video presentation of revised proposed policies. Staff also included a quick reference guide that summarized all proposed changes on a one-page printable document. The policies revised were based on public feedback as well as comments from the Planning Commission. A survey followed the presentation and provided respondents with the ability to comment on proposed regulations and make suggestions for additional regulations or improvements. 141 responses were received which included several hundred comments and suggestions.

Phase II Public Outreach: Summary of Comments	
Positives <ul style="list-style-type: none"> • General support short-term rentals due to the increased revenue for local businesses and tourism. • Homeowners appreciate the ability to rent their homes short-term when they are not in use, providing a source of income. • A few comments highlight how short-term rentals have brought a dynamic feel to neighborhoods. • General endorsement for regulations that strike a balance between community and rental operations. • Many want to maintain the flexibility to operate short-term rentals without extensive regulation. • In some areas, residents report no issues with short-term rentals, citing positive interactions. • Some feel existing rules are adequate and only need enforcement. 	Negatives <ul style="list-style-type: none"> • Concerns about increased vehicles and the removal of parking plans from the initial draft of regulations. • Significant displeasure about the removal of a ban on large parties and events. • Several complaints about short-term rentals disrupting community life and cohesion. • Many identified issues with trash and lack of responsibility from both guests and hosts. • Doubts about the city's ability to enforce new regulations effectively. • Concerns that short-term rentals contribute to the housing shortage. • Frustration over absentee hosts not managing properties or guest behavior. • Worries about the absorption of residential properties by commercial rental operations.
Most common suggestions for improving regulations: <ul style="list-style-type: none"> • Reinstate parking plans. • Reinstate the prohibition on parties. • Ensure resources are in place to address violations. • Maintain or expand the notification rule for better community awareness. • Cap the number of permits within specific areas or blocks to prevent saturation. • Require hosts live within a certain distance or have a local manager. • Adjust permit fees based on rental frequency and occupancy levels. Scale fees based on bedrooms or occupants. • Implement mandatory inspections to ensure compliance with safety codes. • Set a maximum number of days properties can be rented annually. • Encourage the development of "Good Neighbor" policies with stricter guidelines. 	

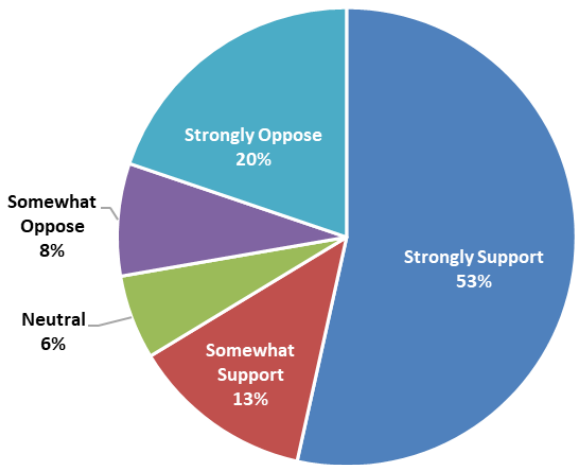
How do you feel about the proposed standards for operating a STR?



How do you feel about the proposed permit requirement to operate a STR?



How do you feel about regulations that would allow the City to revoke or deny a STR permit?



Mid-November 2024: One-on-one discussions with City Council members to present findings and gather feedback.

August 15, 2024 – January 15, 2025: Staff met with owners of owner-occupied short-term rentals, one neighborhood association, and fielded several dozen calls and e-mails from various residents and short-term rental operators.

III. RECOMMENDATION

Staff find the above regulations and permit requirement to be a balance between allowing what has become a popular and persistent new land use and providing protections for neighbors and neighborhoods. As has been demonstrated in hundreds of communities throughout the United States, establishing clear expectations for operators and short-term rental occupants will provide better outcomes for neighborhoods. Having the ability to revoke a permit for a short-term residential rental that becomes a nuisance will safeguard neighbors.

Short-term residential rental regulations would take effect once the permit system is live in the fall of 2025. The delay will allow staff sufficient time to establish the permitting system, enhance Alex311 reporting capabilities, contract with third-party service providers for short-term rental tracking and a 24/7 hotline, hire an additional staff member to coordinate the short-term rental program, and develop printed and online resources.

Staff intend to begin monitoring the program for a two-year period after the permitting system is established in the fall of 2025 and, if need be, propose amendments to fine tune the Short-Term Residential Rental Ordinance.

Staff recommend initiation and approval of the proposed text amendments in the attached document.

Staff: Tony LaColla, AICP, Land Use Services Division Chief
Christina Brown, Deputy City Attorney
Ann Horowitz, Principal Planner
Sam Shelby, Principal Planner

Attachments:

- 1) Proposed Zoning Text Amendments
- 2) Short-Term Rental Phase I Study Results
- 3) Short-Term Rental Phase II Study Results
- 4) February 3, 2025, Staff Memorandum to the Planning Commission