



# City of Virginia Beach

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November 14, 2016

The Honorable William D. Sessoms, Jr., Mayor  
Members of City Council

## **Subject: On-line Home Sharing Economy Ad Hoc Committee Recommendations**

Dear Mayor and Council Members:

At your meeting today, you will be adopting a Resolution requesting the General Assembly to support legislation that would carry out the recommendations of the On-line Home Sharing Economy Ad Hoc Committee. These are very simple:

- This activity cannot be eliminated but should be subject to local regulation, e.g., zoning.
- All local taxes should be remitted directly to the locality, and we should have the ability to audit.
- Appropriate insurance coverage should be required.
- Grant authority to localities to promulgate health & safety requirements for parity with other transient operations.
- Protect the quiet enjoyment of existing homeowners.

There are also some recommendations from the Ad Hoc Committee dealing with City ordinances. I am directing the Director of Planning to work with the City Attorney to prepare proposed ordinances or ordinance amendments for consideration by the Planning Commission, where appropriate, and the City Council. As recommended by the Committee, the content of these draft ordinances will include:

- Definition of daily and short term rentals.
- Examination of the current residential zoning districts to determine where daily and short term rentals should be permitted.
- Requirement that residential rental property owners register with the Commissioner of Revenue and obtain a Rental Permit from the appropriate City department. This will likely be the Planning Department or the Department of Housing and Neighborhood Preservation, with oversight from my office. The City Manager will have the authority to suspend or terminate such permits in the event of violations of law or the terms of the permit.
- There will be requirements that the owner or designated agent be identified and available to respond promptly to the rental property at all times the property is rented.

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The Committee also concluded that more effectively enforcing existing laws will reduce adverse impacts associated with daily and short term rentals. We will be addressing this in the upcoming budget. Also, at your meeting yesterday, the Council approved an ordinance appropriating funds to retain the services of an enterprise to assist in the identification of where the short term rental properties are located in Virginia Beach by specific address. We are also going to be engaging Old Dominion University to study the impact of short term rentals in Virginia Beach, Hampton Roads, and the Commonwealth generally.

We will be working very closely with the General Assembly Delegation prior to the 2017 Session of the General Assembly. There is expected to be at least two bills as the issue works its way through that session.

Please call if I can provide anything further.

Respectfully,

David L. Hansen  
City Manager

RRM/cj

Attachment

cc: Robert Matthias, Assistant to the City Manager  
Barry Frankenfield, Planning  
Mark Stiles, City Attorney  
Beverly K. Wilson, Deputy City Attorney