

**HALIFAX COUNTY BOARD OF SUPERVISORS
ORDINANCE COMMITTEE
County Administration Conference Room
1050 Mary Bethune Street
Halifax, Virginia
April 4, 2023 / 4:00 PM**

A. CALL TO ORDER

Committee Chairman R. Duffey called the meeting to order at 4:00 p.m.

B. ATTENDANCE

Board of Supervisors present were: Ordinance Committee Chairman R. Duffey, and Supervisor G. Ricketts

Board of Supervisor absent: Supervisor H. Pannell

Staff members present were: Scott Simpson, County Administrator; Detrick Easley, Planning and Zoning Administrator; Olivia Epps, Strategic Programs Coordinator; and, Charlene Hendricks, Executive Assistant

C. BUSINESS ITEMS

1. Discussion of Billboards/Signage

Committee Chairman Duffey stated the first item on the agenda is the discussion of Billboards and Signage and asked Mr. Simpson if he could begin the discussion.

Mr. Simpson said the Discussion of Billboards and Signage would be continued to the next Committee meeting due to interest in time. He noted it does not pertain to everyone who is in attendance, and there are no immediate actions to be taken.

2. Discussion of Amending Chapter 53, Zoning, Section 53-353, M-1 Use Regulations

Mr. Simpson stated the next item on the agenda is the discussion of M-1 Use Regulations. He referenced a document that was provided to the Committee members for the Use Regulations of M-1, which is Industrial Limited. He noted this is an item that the Planning Commission made a recommendation a few weeks ago to hold a public hearing to amend M-1 Use Regulations. He referenced Item 22 and said it references the manufacturer's compounding processing, packing, or treatment of products and includes a list of products. The Planning Commission is recommending adding metals to the product lists.

Mr. Simpson referenced Item number 23 for manufacturing which lists compounding, assembling, or treatment of a detailed list of previously treated materials such as leather, paper, and plastic and stated it also lists precious or semiprecious metals. The change is being considered because IperionX is a titanium facility located at the Industrial Park, which is in an M-1 use area. He stated the facility will be

processing and compounding titanium and noted titanium is a metal that is not included in Item number 22. Item number 23 does list precious or semi-precious metals, but titanium is not a precious or semi-precious metal. The Planning Commission is recommending to remove precious or semi-precious from number 23 and list metals in number 22. Mr. Simpson stated a Public Hearing will be held at the Board of Supervisors and the Planning Commission Joint Meeting on April 18, 2023 to address the issue.

Vice Chairman Ricketts requested consideration of adding non-radioactive metals to the list in Item number 22 and Item number 23.

3. Discussion of Short Term Rentals

Mr. Simpson said the nature of lodging has changed dramatically in the past few years, with many individuals wishing to utilize their private residence, or another residence under their ownership, as a short-term rental for transient guests. Property owners offer residences for short-term rental by advertising the rental independently or by utilizing a short-term rental service (i.e. AirBnB, VRBO, etc.). Short-term rentals present a number of unique challenges that are not seen in traditional lodging types or in traditional single-family occupancy. For this reason, the Halifax County Zoning Ordinance is being reviewed regarding regulating short-term rentals located in the unincorporated portions of the County and over the last several months, everyone has learned a lot about short-term rentals. Mr. Simpson said at the last Committee meeting, there was some discussion about short-term rentals and the definition in the Ordinance is called a tourist home, which is for dwellings where lodging is provided for compensation for up to 14 individuals including transients. County staff has conducted extensive research, and there are about 150 or more homes or rooms within the County on the AirBnB or VRBO websites.

Mr. Simpson stated in most areas of the County, there have not been many complaints or issues. He noted concerns have been expressed in the Nathalie area, and it is important to make sure moving forward that the County and its citizens have an equal voice for all matters being considered. Currently, guest rooms, tourist homes, or hotels are not allowed uses in an A-1, Agricultural District; R-1, Residential Limited District; and in B-1, Limited Business. They are allowed in R-2, Residential General, Tourist Home; B-2 Business General, Hotels; M-1 Industrial Limited, Hotels; and M-2 Industrial General, Hotels. One of the main concerns received is a lot of the agricultural areas are being purchased and used by individuals who want to move into the County for a slower, better lifestyle versus busier areas of the State or in some instances other States; however, short-term rentals or tourist homes are infringing upon that type of lifestyle.

Mr. Simpson said there was a valid comment made during Citizens' Comment at the Board meeting on April 3, 2023. A citizen commented individuals come into the area and stay a few days at short-term rentals and tourist homes, and you don't know who they are or if they are supposed to even be there or not. It was noted those individuals could be driving around the area scoping it out, which could lead to theft and other crimes.

Mr. Simpson stated the first item to be considered for any of the districts is whether to allow tourist homes. He said if they are allowed, different restrictions could be required, which would allow input for the different neighborhoods. He discussed several options to be considered with the Committee members to determine how best to move forward, such as allowing the short-term rentals by right or with the issuance of a Conditional Use Permit (CUP), allowing citizens and neighbors to participate and have input on how it will affect their property.

Mr. Simpson said if the short-term rentals and tourist homes are permitted by right unless any other residence is within 1,000 feet, then the CUP process is required, which gives citizens and neighbors the ability to have input.

Mr. Simpson stated there is also the question of hosted and non-hosted facilities. He explained a hosted facility as the owner of a home residing at the property and renting out a couple of bedrooms, so there is knowledge of any ongoing activities or events. Non-hosted facilities are when the owner of a

property resides somewhere else and is unaware of activities or events, such as log cabins located in Gatlinburg or Pigeon Forge. He commented when a CUP is required, you gather certain information along with it. County staff has discussed grandfathering in any existing facilities, but grandfathering in those businesses is not being recommended. He explained the only facilities right now that are eligible to be grandfathered would be located in R-2 Districts, and since there is currently only one facility, it is not recommended to go through that process.

Mr. Simpson said a mechanism needs to be determined if these rentals are allowed and what method needs to be put in place. He commented an application would be needed so when an individual comes into the County office to register a tourist home, there is a record for the Zoning Administrator and the County will know the facility is in operation. A business license would also be required from the Commissioner of Revenue, and lodging taxes can be collected and remitted back to the County.

Mr. Simpson said Ms. Epps has conducted research and he provided an example to the Committee members. If there is a \$200 rental fee for a one-night stay through AirBnB, the research indicates AirBnB sends a sales tax of \$15 to the State, there is a \$35 Administrative Fee/Cleaning Fee collected, which is kept by AirBnB, and the remaining funds of \$150 would be sent to the host. He said the host should be remitting lodging tax to the County from a portion of the \$150 that they are receiving. He stated County staff has spoken with the Commissioner of Revenue's Office and it has been determined remittance of lodging taxes is only happening in a few instances. Mr. Simpson emphasized having some type of registration would make the Zoning Administrator aware of the operation and noted the appropriate documentation can then be forwarded to the Commissioner of Revenue's Office for other enforcements.

Vice Chairman Ricketts asked if the County could require commercial entities, such as AirBnB and other businesses, to submit information about rentals. Mr. Simpson stated it could be difficult to obtain the information and noted larger cities and counties have tried, but they are not getting many results.

Mr. Simpson stated some of the other considerations for the Ordinance as it is being developed is if a maximum number for occupancy should be set, and commented this is assuming it is going to be allowed with whatever restrictions are determined. He provided examples for the Committee members as follows: 2 persons per bedroom or 5 persons per bedroom. He said the maximum number of bedrooms is determined by their sewage disposal permit issued from the Virginia Department of Health, so if somebody has a cabin that is only permitted for one bedroom, then the maximum number of individuals allowed to stay in the tourist home would be 2 people. He stated a fire extinguisher would be required in the common area and smoke detectors are required in each bedroom. The bedrooms are required to have egress size windows that comply with the building code, and kitchen and bathrooms will need GFCI receptacles within six feet of the sink or water source according to the building code.

Mr. Simpson said County staff has discussed having a checklist, and the Inspection Department would actually go out to check for compliance. If tourists are allowed to come and stay in these establishments, inspections and guidelines have to be in place for safety reasons. Designated parking areas, property boundaries and limitations, and reasonable signage have also been discussed. Mr. Simpson stated a property management plan has also been discussed and explained it would demonstrate how the tourist home will be managed and how the impact on neighboring properties will be minimized and the plan will be submitted for review and approval as part of the permitting process. The permitting process will include points of contact posted in a visible location in the tourist home and the individual should be available to respond to complaints and any utility issues in a timely fashion. He stated if the tourist home is located in a homeowner's association or property owner association, a written recommendation of approval from the association should be required when the permit application is submitted.

Mr. Simpson stated some other items discussed by County Staff included the property owners of the tourist home would need to provide an emergency evacuation plan for the dwelling and neighborhood, an active connection to local phone service would need to be provided, and any outdoor burning should occur in an encircled permanent, non-movable location to prevent it from being moved around all over the property, which will help keep the risk of fire at a minimum. Mr. Simpson stated individuals offering

the property for tourist homes must also contact the Halifax County Commissioner of the Revenue for a Business license, registration of business personal property would need to be completed, and their payment of lodging taxes would need to be addressed. He explained once items are converted away from personal use, it becomes Business personal property, so beds, linens, plates, chairs, tables, and jacuzzis then become Business personal property, and those items should be registered with the Commissioner of Revenue. Mr. Simpson noted that Mr. Easley had already done extensive research on several of the issues and concerns.

Mr. Simpson stated he had spoken with several surrounding Counties and the procedures seem to vary for most of the localities. He stated Mecklenburg County does not have any regulations, Bedford County allows rentals with certain restrictions, and Pittsylvania County has no Ordinance, but they are currently having discussions. He discussed several other localities with the Committee members and stated there are several iterations for restrictions and guidelines. He said some direction on how best to move forward is needed, so County staff can draft a proposed Ordinance. It was noted the Committee would need to meet again before the Board of Supervisors Regular Meeting on May 3, 2023 to propose a recommendation to the Board members.

Committee Chairman Duffey asked if would be possible to move forward with a short-term rental and tourist home if it is located less than 1,000 feet from another residence with the requirement of a CUP and approval of any adjacent property owners. Mr. Simpson verified the CUP process would be the exact same process as any other CUP. He stated adjoining property owners would be notified and have the opportunity to come to the public hearing.

Committee Chairman Duffey stated the proposed restrictions would most likely deter some individuals from wanting to operate a short-term or tourist home.

Vice Chairman Ricketts said the County would benefit from some type of structured approach, and if a person or entity follows the requirements of the Ordinance, most individuals would quickly determine it is not worth the involved effort. He stated the discussion of the proposed Ordinance, including the CUP and restrictions, would better serve the County and offer protection to our citizens and visitors. He commented individuals are already operating short-term rentals, so it doesn't behoove anyone to say no; however, he emphasized structure and regulations need to be in place that will screen the providers as well as the renters.

Committee Chairman Duffey asked if there is currently any type of registration in place to operate a short-term rental. Mr. Simpson stated there are currently no regulations in place. Committee Chairman Duffey stated regulations need to be in place, so the County would have a way to track facilities in the County.

Vice Chairman Ricketts expressed concerns about County resources and the time involved with the process and noted those things would need to be taken into consideration as well. He said reasonable judgment is needed along with a checklist of all of the safety items, and then perhaps a review of the facility could be conducted every 5 years. He emphasized annual reviews could be cumbersome and time-consuming for County staff.

Mr. Easley stressed the safety part of any rental home is important, such as smoke detectors, GFCI receptacles, and the egress for bedroom windows, and noted those items could be addressed on the front end by the permit and registration form because it would require inspections. He said if there are any violations or issues, those could be corrected at that time. He stated the proper documentation would be sent to the Commissioner of Revenue, and the CUP will also provide guidelines and restrictions. Mr. Easley commented direction is needed for the zones where short-term rentals and tourist homes are not allowed or if they should not be allowed at all. He said violations would also need to be addressed for existing facilities already in operation.

Vice Chairman Ricketts said part of the attractiveness of our County is the agricultural zoning, wide open spaces, and enjoying wildlife and mother nature. He stated this type of enterprise could be considered a part of tourism. He said the question is how do we assure ourselves and our citizens it is

being done properly. He emphasized it needs to be done right and with the proper steps in place for the application and inspections. Mr. Simpson said the inspection, checklist, and initial registration would have a fee, which needs to be determined, to cover the cost associated with the process. Vice Chairman Ricketts stated a 5-year permit appears to be a reasonable time frame and said the thought process should be carefully considered. Mr. Simpson noted the first few years of operation everything usually runs smoothly, and then later on there are possible violations or complaints. He stated the possibility of having the option to hold another public hearing at the 5-year review would be a consideration worthwhile.

Committee Chairman Duffey said he would like to have some type of restriction discussed and considered for safety reasons inside and outside of the home, especially during hunting season because tenants may come into the area just to hunt. Vice Chairman Ricketts agreed because individuals visit the County for the hunting experience. He commented a statement requiring tenants to comply with all Virginia hunting code requirements could be included. Mr. Simpson said the issue could be researched with some of the other localities to provide guidance on how hunting restrictions can be implemented.

Mr. Simpson commented according to the feedback from the Committee members, there seems to be a consensus that short-term rentals and tourist homes should be allowed in the County. He said the next step in the process is to determine how to handle the process for guidelines and restrictions. Committee members were in agreement that the distance needs to be 1,000 feet or more from other neighboring residents. Mr. Simpson reviewed the other items discussed and stated County staff could move forward with drafting a detailed Ordinance for the protection of the County and its citizens. He commented any future changes in the Ordinance would require a public hearing. Committee Chairman Duffey commented one of the main concerns is the protection of our constituents.

Mr. Easley wanted some clarity if existing short-term rentals and tourist homes in the County that are 1,000 feet or more from neighboring residents will be required to go through the registration process including permits and inspections. Mr. Simpson said that is correct because the registration process is a mechanism for the proper steps to be taken by the Zoning Administrator and the Commissioner of Revenue. He stated the business owner would need to bring in their business license, and then the permitting process would need to take place accordingly. Mr. Simpson stated it would be a lengthy process because County staff will need to conduct internet research, search addresses, and send out the proper notification to those facilities for the County registration process.

Mr. Simpson noted there are three public hearings on the agenda for the Board of Supervisors and Planning Commission Joint meeting on April 18, 2023.

D. ADJOURN

With no additional discussion, Vice Chairman Ricketts made a motion, seconded by Committee Chairman Duffey, to adjourn the meeting.

The meeting adjourned at 4:56 p.m.