

**From:** [Thomas Courtney](#)  
**To:** [Addison, Andreas D. - City Council](#); [Gray, Kimberly B. - City Council](#); [Lynch, Stephanie A. - City Council Office](#); [Larson, Kristen N. - City Council](#); [Robertson, Ellen F. - City Council](#); [Hilbert, Chris A. - City Council](#); [Newbille, Cynthia I. - City Council](#); [Trammell, Reva M. - City Council](#); [Jones, Michael J. - City Council](#)  
**Cc:** [Wagner, Daniel M. - City Council Office](#); [Bieber, Craig K. - City Council Office](#); [Townes, Lisa F. - City Council Office](#); [Bond, Aaron A. - City Council](#); [Robins, Amy E. - City Council Office](#); [Patterson, Samuel - City Council Office](#); [Bishop, Richard K. - City Council Office](#); [Morris, Summer A. - City Council](#); [Olinger, Mark A. - PDR](#); [Wack, John B. - Finance](#); [Pitts, Marianne G. - PDR](#)  
**Subject:** Re: Pending Ordinance 2019-343 - Short Term Rentals  
**Date:** Friday, January 3, 2020 2:24:20 PM  
**Attachments:** [Landlord STR v. LTR in Richmond, VA.pdf](#)  
[STR for 9-19-2019 Meeting.pdf](#)  
[Protest 2019-343 AirBnB.pdf](#)

**CAUTION:** This message is from an external sender - Do not open attachments or click links unless you recognize the sender's address and know the content is safe.

Hello Council Members and Liaisons,  
BCC: Additional STR Participants (~200)

As previously indicated, I left a protest with signatures with the City Clerk today. The number of signatures was around the 40 mark. Section 17.15 of the Zoning Charter of the City of Richmond indicates:

If a protest is filed with the city clerk against such amendment, supplement or repeal, signed and acknowledged before a person authorized to administer oaths, by the owners of twenty percent or more of the total area of the lots included in such proposed change or of the total area of the lots outside of the proposed change any point in which is within 150 of the boundary of such area, the council shall not adopt the ordinance making such amendment, supplement or repeal, by less than seven affirmative votes. (1948, c. 116)

The purpose of this protest is advocating for a modification to the proposed Ordinance # 2019-343 (Short Term Rental Regulations) before it is presented or allow for it to pass with modification / removal of Section 30-697.1 Item L.

**My understanding of the next steps...**

- Protest is sent to the planing department / legal review.
- Legal determines if the protest meets above criteria.
- Likelihood of the the protest meeting the 20% of the total area requirement is low; however, it should be formally acknowledged that there is a significant, organized protest of a specific part of proposed legislation with mutually-agreed modification to permit desired regulation - intended for safety of the public.

The protest is due to minimal changes to the draft legislation based upon the feedback of public meetings and survey results. Specifically, owner-occupy and 185-day restrictions. My understanding is that the ordinance will be presented on the 6th and then voted upon on the 13th of January. **John Charlet** will represent me and is authorized to speak on my behalf as a duly authorized administer of oaths. I, unfortunately, am unable to attend those upcoming

meetings.

Please refer to the Executive Summary previously sent below and the attached documents for additional information. Note that the protest submitted to the City Clerk via paper may vary slightly from this electronic version - it is attached for convenience, only.

Thanks for your time

Thomas Courtney  
TomCo Properties LLC  
RVA Account # 1027660 - Business License for Lodging - Issued 2016  
RVA Account # 1027662 - Business License for Lodging - Issued 2016

Enc.

On Mon, Dec 16, 2019 at 11:43 AM Thomas Courtney <[trc.subscriptions@gmail.com](mailto:trc.subscriptions@gmail.com)> wrote:  
Hello Council Members and Liaisons,

I am contacting you as "a duly authorized administer of oaths" as described by Section 17.15 of the Zoning Charter of the City of Richmond. I am collecting signatures and advocating for a modification to the proposed Ordinance # 2019-343 (Short Term Rental Regulations) before it is passed or allow for it to pass with modification / removal of Section 30-697.1 Item L. My understanding is that the ordinance will be presented on the 6th and then voted upon on the 13th of January. The oaths will be provided to the City Clerk on / around January 3rd for processing. I believe some of those individuals will attend and speak at meetings on the 6th and 13th, as well.

**Executive Summary:**

Short Term Rental Operators have been conducting business in Richmond since 2015 or earlier. The number has only increased since that time. Per an article in the Richmond Times Dispatch in September 2019, rental revenue this summer was approximately \$3.8 million. Lodging tax at 8% is in excess of \$300,000 if this were regulated - just for summer 2019. The current (Zoning Only) ordinance is generally accepted by most short term rental operators; however, there is significant opposition to Section 30-697.1 Item L which requires the property owner to live on premises 185 days of the year - thereby eliminating the ability of an operator to offer a short term rental on any property used as a second home or investment property. The individuals represented by this petition ask that Item L is removed entirely or revised to reflect a 25% restriction (Ref. Survey Results Question 13) on properties with 4 or more units. One to four unit properties can operate with one short term dwelling unit. The concern for introducing "revenue generating" housing in instead of affordable housing is understood by short term rental operators (property owners). Regulation is expected, and reasonable; however, it should be commensurate with the type of housing being offered in each residential zone.

Thanks for your time, and additional details are below,

Thomas Courtney  
TomCo Properties LLC  
RVA Account # 1027660 - Business License for Lodging - Issued 2016

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**Commentary:**

I have met and heard from many short term rental operators who have expressed frustration that involving the city offices in an otherwise straightforward activity would be a bad outcome. However, we also recognize that we have been in operation for a number of years without financial or regulatory impact. Operators range from single family home owners renting a room, owners who rent their own home while living with friends, owners who have left the area and plan to return, owners of multi-family renting their spare unit, owners now living in single family making use of their starter duplex for rental income, and others who rent a number of places either as the owner or on behalf of an owner. And an even more unusual operation is the "transient landlord" that wanders from apartment to apartment or home based on what is not actively rented... but it still exists.

In almost all of the public meetings, operators expressed that limiting the number of nights arbitrarily was not ideal. The data from the survey supports this, as well. The ordinance, as written, specifically states that there is no limitation on nights; however, it does require the owner/operator of the property to be present on site 185 days a year. By math, this would exclude operation of any second property from short term rental eligibility - hence the desire for the modification or removal of Item L above.

Nonetheless, owner-operators are also expressing frustration with the general confusion about operation and the ability to integrate into the city's business model. The ordinance, as written now, will reduce the number of properties operating as short term rentals (if those operators decide to attempt registration to comply). Similarly, the money collected for this process will be lower because those who do comply will not register their non-occupancy property. Alternatively, some owners own property where children or parents are the primary resident - an authorized representative of the owner. Their use (as the owner) for short term rentals at that space would be restricted for no known reason.

Lastly, the ordinance is written in a silo reflecting the activities of the Planning / Zoning Department and lack the financial foresight of the Financial Department. Additional legislation (in approximately one year?) may add an additional financial burden on short term rental operators. Until that time, we cannot comment or object to an additional tax (and more profitable than the zoning compliance fee); however, it seems that it is pending.

All operators are looking for guidance on how to legally and financially integrate with this process, yet no formal path has been suggested. Even with my latest inquiry to the financial department, I am asked to contact an administrator to ask what they are doing with existing "tourist homes" which are regulated differently than short term rentals. This merely reflects additional "silo-ed" research and legislation without taking into account the administration of new activities and how they contribute to the financial interest of the city.

I have attached several documents which I have presented over the past year reflecting my understanding and feedback to the committees and processes. Please feel free to reach out to me with any questions or concerns. I will unfortunately not be able to attend meetings on January 6th or 13th due to starting a new job and will be traveling out of the area.

**Timeline:**

***\*Short Term Rental Operators Exist\****

June 2015 - RESOLUTION No. 2015-R42-47 for Short Term Rental Regulations in Richmond

October 2015 - Preliminary Report to Council and Planning Commission

March 2017 - General Assembly passed SB 1578 which preserves the ability for localities to establish local regulations

March - May 2019 - Public Meetings and Survey of Residents in City of Richmond

August 2019 - Survey Results Published

December 2019 - Ordinance Published - Minimal changes based on public feedback to the draft and the ordinance.

January 2020 - Ordinance Proposed / to Vote on the 13th?

***\*More Short Term Rental Operators Exist and Continue to Operate\****

In accordance with Section 17.15 of the Zoning Charters of the City of Richmond...

The following individuals represent a **Protest of Proposed Ordinance No. 2019-343...**

Also known as Short Term Rental Regulations with proposed passed January 2020 and implementation July 2020.

By signing, **Thomas Courtney** has been duly authorized to administer oaths and collect these individuals' protest



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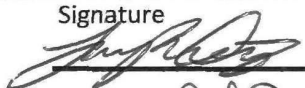

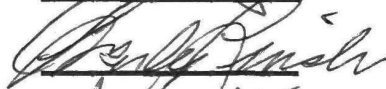


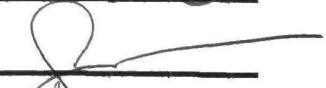
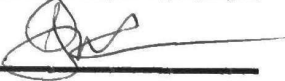
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The below signed oppose Ordinance, as written, and would otherwise **SUPPORT REMOVAL of Item L**

**OR** permitting 1 STR Dwelling unit in Non-Owner-Occupancy in 1-4 dwelling unit properties... a number not to exceed 25% in 4+ dwelling unit properties, and not to exceed 10 total on an otherwise larger residential property... whichever is less.

Because of the potential for legal recourse, property owner addresses can be requested / confirmed via email

Date	Name	Email	Signature	District / Zip Code
<u>15 DEC 19</u>	<u>THOMAS COURTNEY</u>	<u>TRCSUBSCRIPTIONS@GMAIL</u>		<u>SI 8TH</u>
<u>15 Dec 19</u>	<u>Catherine Nottingham</u>	<u>renovationsetc@comcast.net</u>		<u>23220</u>
<u>15 Dec 19</u>	<u>Charlie Unedammann</u>	<u>_____</u>		<u>23220</u>
<u>15 Dec 19</u>	<u>Eric Hawkins</u>	<u>_____</u>		<u>23220</u>
<u>15 Dec 19</u>	<u>Elisabeth Edelman</u>	<u>elisabeth.edelman@gmail.com</u>		<u>23220</u>
<u>15 DEC 19</u>	<u>Lydia Kingsbury</u>	<u>lydia.c4330@hotmail.com</u>		<u>23220</u>
<u>15 DEC 19</u>	<u>Tracy Kingsbury</u>	<u>tracykingsbury@hotmail.com</u>		<u>23220</u>

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<u>15 DEC 19</u>	<u>Carissa Tsiris</u>	<u>carissatsiris@gmail</u>	<u>[Signature]</u>	<u>23221</u>
<u>15 DEC 19</u>	<u>JUSTIN CHESNEY</u>	<u>j.n.chesney@gmail.com</u>	<u>[Signature]</u>	<u>23221</u>
<u>15 DEC 19</u>	<u>William Anderson</u>	<u>Richva321@aol.com</u>	<u>[Signature]</u>	<u>23221</u>
<u>15 DEC 19</u>	<u>KATY THOMAS</u>	<u>KATHOMAS99@YAHOO.COM</u>	<u>[Signature]</u>	<u>23223</u>
<u>15 DEC 19</u>	_____	_____	_____	_____
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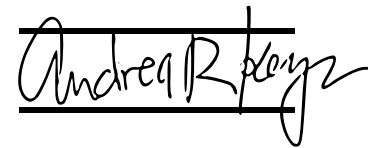
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Date Name Email Signature District / Zip Code

12/31/19

Andrea Keys

jc13keys@gmail.com



23223

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Date	Name	Email	Signature	District / Zip Code
<u>12/15/19</u>	<u>Ian Hogan</u>	<u>ian.hogan7@gmail.com</u>	<u>Ian Hogan</u> <small>Digitally signed by Ian Hogan Date: 2019.12.15 11:16:53-0500</small>	<u>23220 2nd District</u>
<u>1/3/2020</u>	<u>Kathleen E Ednie</u>	<u>kednie417@live.com</u>	<u>Kathleen E Ednie</u>	<u>23223</u>
<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
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<u>1/1/2020</u>	<u>John Charlet</u>	<u>jcharlet@gmail.com</u>	<u>[Signature]</u>	<u>23220</u>
<u>1/1/2020</u>	<u>Samantha Charlet</u>	<u>samanthatcharlet@gmail.com</u>	<u>[Signature]</u>	<u>23220</u>
<u>1/2/2020</u>	<u>Stephanie Pittrell</u>	<u>chocstart640@gmail.com</u>	<u>[Signature]</u>	<u>23220</u>
<u>1/2/2020</u>	<u>CHRIS WOLF</u>	<u>CJWOLF@GMAIL.COM</u>	<u>[Signature]</u>	<u>23220</u>
<u>1/2/2020</u>	<u>DANI WOLF</u>	<u>KTHOMASDN@GMAIL.COM</u>	<u>[Signature]</u>	<u>23220</u>
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<u>15 DEC 19</u>	<u>[Blank]</u>	<u>[Blank]</u>	<u>[Blank]</u>	<u>[Blank]</u>
<u>01 <del>18</del> JUN 20</u>	<u>MIKE KANE</u>	<u>MIKEKANE@KIA.COM</u>	<u>[Signature]</u>	<u>23225</u>
<u>01 JUN 20</u>	<u>KATHARIN SPRING</u>	<u>KATSPRING61@HOTMAIL.COM</u>	<u>[Signature]</u>	<u>23225</u>



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Date	Name	Email	Signature	District / Zip Code
<u>1/1/2020</u>	<u>Kim Newcomb</u>	<u>kimkeate@gmail.com</u>	Kimberly Newcomb <small>Digitally signed by Kimberly Newcomb Date: 2020.01.01 14:45:57 -05'00'</small>	<u>23221</u>
<u>1/1/2020</u>	<u>Richard Newcomb</u>	<u>Rnewcombii@gmail.com</u>	Richard Newcomb <small>Digitally signed by Richard Newcomb Date: 2020.01.01 14:46:58 -05'00'</small>	<u>23221</u>
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Date	Name	Email	Signature	District / Zip Code
<u>1/2/2020</u>	<u>Michael Hild</u>	<u>michaelhild@yahoo.com</u>	<u>Michael Hild</u>	<u>23223</u>
<u>1.2.2020</u>	<u>LAURA HILD</u>	<u>laidyfer@yahoo.com</u>	<u>Laura Hild</u>	<u>23223</u>
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## Richmond, VA Finance and Economic Development Committee / STR Operation 9/19/2019 by T Courtney

### Summary of STR Operators / Observations:

“City of Richmond Airbnb hosts made a combined \$3.8M this summer - even though they're still illegal to operate in the city”  
- By KARRI PEIFER Richmond Times-Dispatch Sep 13, 2019 ~27,500 Visitors by ~2,500 hosts in RVA?

Per the details of the article, it is a potential revenue source of \$8.3 MM x 0.08 Lodging Tax = ~\$300,000 or more for the year. Existing lodging revenue is \$8.9 MM – Contribution from regulation of STR properties reflects +3% to this revenue if operators comply & legislation is changed to both permit operation and collect lodging tax (from the visiting guests via Rental Operator).

STR Operators (participation in community meetings) want to comply with local regulations, remit “the same” regulated lodging taxes, and are accustomed to/want to continue to operate under the present conditions. Thousands of Richmond Airbnb businesses will be impacted by proposed regulations which, upon review, are considered complex and confusing - Potentially preventing well intended citizens from complying properly. Business licenses and zoning are presently in consideration and current regulations do not require most STRs to remit lodging taxes. Right now, it’s too confusing to do properly and/or it’s not clear whether it is even allowed despite that there are hundreds of people in operation.

### Current Status of Pending Legislation (9/19/2019) – No Date Identified for Implementation or Submission:

The current legislation draft on the City STR Website is not revised based on community meetings and survey results. The draft legislation does not currently include any provisions for tax / finance law – zoning only. Currently suggesting registration fees of \$300 per two years and special use permits or certificates of zoning compliance. Equivalent income of ~\$300,000 per year (no ALM Tax). With this process, no outside compliance services are required to add, only a simple registration process; however, the special use / auxiliary use / CZC process may be an unnecessary burden or opportunity to restrict operations. Most operators do not want to involve city offices or operations in their daily activities.

### Noted Oppositions to Current Draft Legislation / Feedback from Survey Results:

**Objection to Question 6** – Permitted vs. Allowed – Most people agree that STRs should be allowed without a special use permit or “permitted certificate of zoning compliance”. The data from this question is inconclusive due to the wording. Was “permitted” meant as “allowed” or via a legal process involving the city departments?

**No-Limitation on Number of Nights of Lodging** – Survey results support that there should be no limitations.

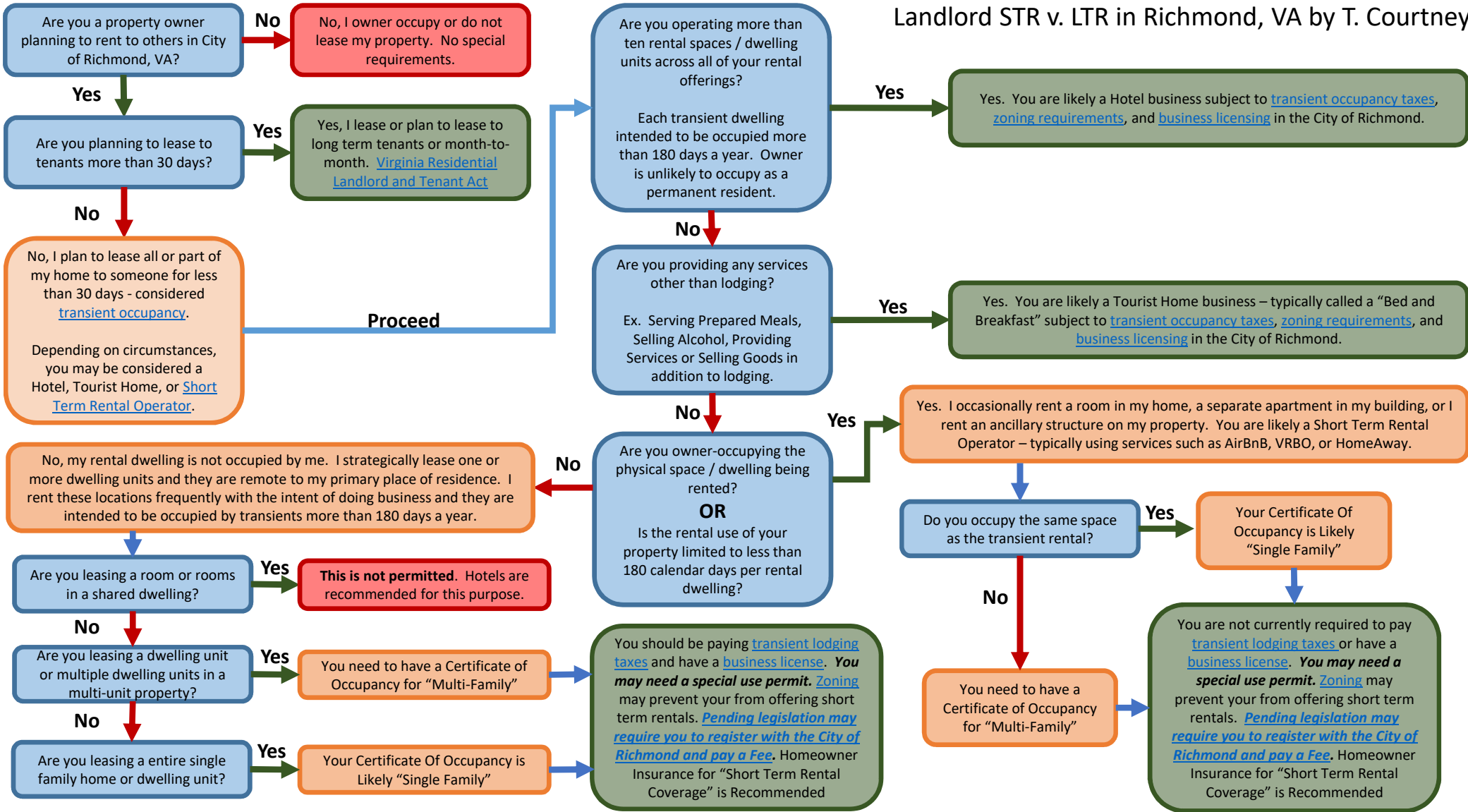
**Duplex Operation / Usage Restriction** – Current wording of legislation does not allow for legal 2 or 3-unit properties to participate based on the 25% restriction. Similarly, certificate of occupancies already list whether properties are able to be multi-family or single-family. STR CZCs may need to consider this classification / registration requirement to determine if people are renting a “legal” dwelling unit. Similar to long term rentals. Single family restrictions?

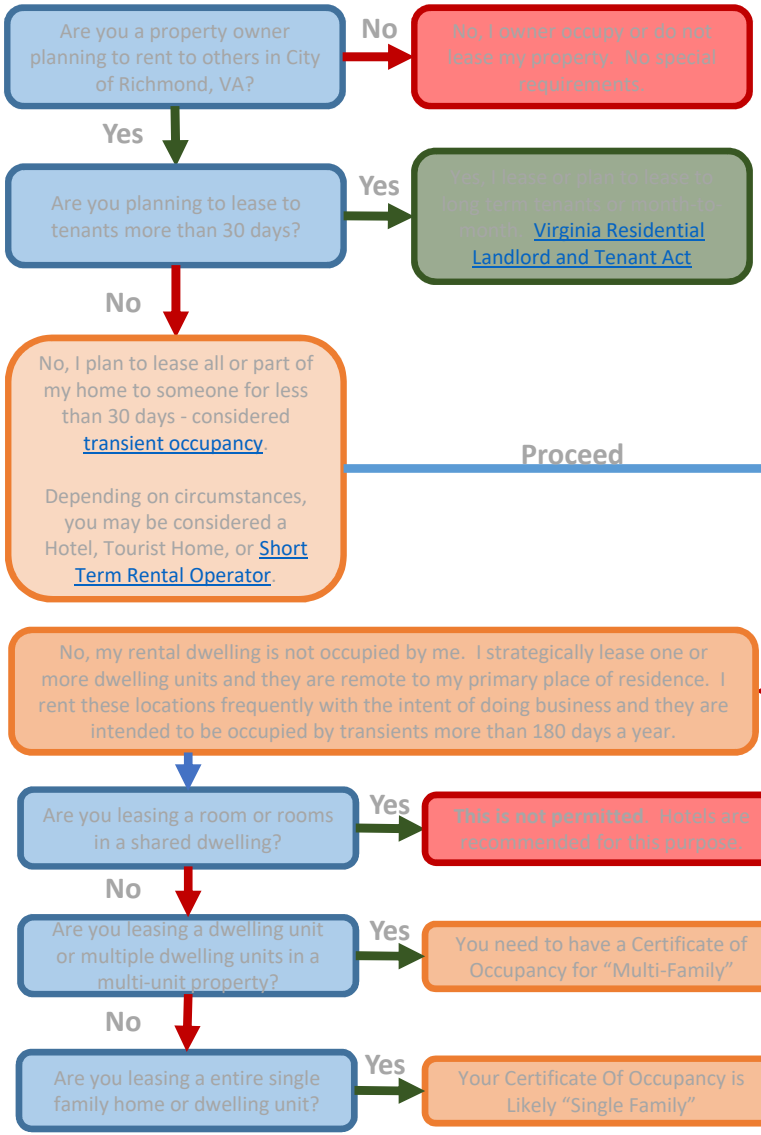
### Open Questions / Pending Deliverables and Timeline:

- A. Should “Tourist Homes” (Legal Bed and Breakfast Operators) be deregulated? They have special use permits. OR
- B. Should there be three levels of STR Operator? Single Operator > Multiple Operator / “Tourist Home > Hotel?
- C. Should STR Operations need any special “legal” documents such as special use permit or zoning compliance?
  - a. Existing Single Family (or Single Family Zoning Districts)?
  - b. Existing Multi Family (or Multi Family Zoning Districts)?
  - c. Depending on type of operation, Certificate of Occupancy matters – See STR v. LTR Flowchart.
- D. Should STR Operations require registration only, lodging tax only, or both?
  - a. Registration Only = Simple / No 3<sup>rd</sup> Party Compliance Services / No Business License or Lodging Tax
  - b. Lodging Tax Only = Likely to need a 3<sup>rd</sup> Party Compliance Service – Skip Business License Requirement
  - c. Both Registration and Tax = Too complicated and too expensive for most. Does registration guarantee approval of your operation or does it just start a process that will ultimately be denied by the city?
- E. Revision to pending legislation based on survey results, feedback, and decision on finance / tax law items above. Once available, scheduling the introduction of such to both Finance and Planning Departments for issue to Council for approval. Summary to citizens about the anticipated revenue vs. additional costs internally or to 3<sup>rd</sup> party service.



# Landlord STR v. LTR in Richmond, VA by T. Courtney





**Zoning Department**

Currently Managing Special Use Permits for Tourist Homes

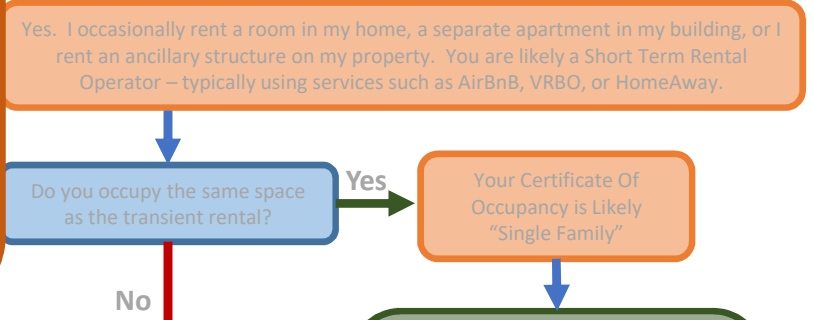
Planning to Maintain a Registry of Short Term Rental Locations and Owners

Likely Referrals to Finance Department for Taxation

**Finance Department**

Currently Managing Business Licenses and ALM Taxes for Tourism

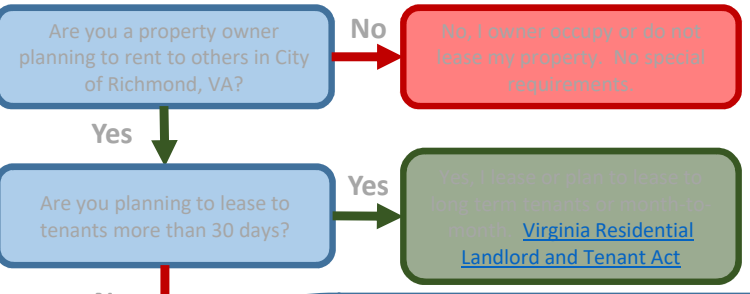
~\$8,900,000 in Lodging Revenue



**Finance Department**

Depending on the usage of the property, the finance department may start collecting revenue. Estimated Revenue = \_\_\_\_\_ ?

Currently, most STRs are unknown to the zoning and finance department. They are currently relying on self-reporting of income and occupancy.



**Zoning Department**

Are you operating more than 10 units across all of your properties?

Currently Managing

Special Use Pro

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**Open Questions / Legislation Dependent Issues...**

Number of **Rooms** or **Dwellings** Offered for Rental?

< 4, No Tax or Business License?  
4-9, Tax and Business License?  
10+ , You become a Hotel?

Based on property size or combined business' dwelling unit offerings at several rental locations?

Personal Property Tax / Business Tax Related to Rental Activity?

**Should there be a Limit of Rental Nights?**

- For Rooms in Shared Home
- For Dwelling Units in Multi-Family Home
- For Single Family Dwellings
- How does zoning and owner occupancy matter?

Over or Under 180 Days? Is this suitable for an Urban City vs. Neighboring Residential Counties?

**If Goal is Safety** – Make it Easy to Register.

**If Goal is Revenue** – Make it easy and consistent to collect the same tax from everyone. One time fee based on planned usage or actual tax of lodging revenue collected? Self reporting or third party services taking a cut to provide all STR services?

**If Goal is Zoning and Compliance** – Deregulate Tourist Homes And provide feedback mechanism / regulation method (tax).

Depending on the usage of the property, the finance department may start collecting revenue. Estimated Revenue = ?

Currently, most STRs are unknown to the zoning and finance department. They are currently relying on self-reporting of income and occupancy.