



DATE: April 25, 2025

TO: Planning Commission

FROM: Bruce Lonnee, Planning Director

RE: Proposed Text Amendments to Chapter 9-15-28 and 9-15-29 – Short-Term Rental (STR) Regulations

Attached are the proposed text amendments to Section 9-15-28 and 9-15-29 of the Athens-Clarke County Code of Ordinances regarding Short-Term Rental (STR) regulations. The proposed amendments include the following changes:

- 1) Addressing the “parcel” definition issue to include all tax parcels as it relates to STR uses in the following zones; and
- 2) Extending the sunset period for legal non-conforming STRs to five years and adding a new code section for a so-called “relief valve;” and
- 3) Refining the STR notification requirements.

These text amendments were considered by the Planning Commission at their April 3, 2025, meeting, and the following topic areas were discussed during the meeting with the Planning Commission requesting that Staff provide additional information for each at the May 1, 2025, Planning Commission meeting:

- a) The method for calculating the Rate of Appreciation associated with the “Relief Valve” provision was found to lack specificity and could allow for inconsistencies and subjectivity in the determination of appreciation values.
- b) There was interest expressed for including a provision that would result in revocation of an approved STR use if a pre-determined number of STR-related violations were to occur at the subject parcel.
- c) Data was requested regarding the number of known STR operations in Athens-Clarke County, with accounting of those uses provided by zoning designation, by property ownership type, and by permit status. The data was requested to better understand the scale of the issue, assess the procedural realities associated with administering the ordinance, and to inform the discussion on the impact of STRs on the availability of housing units in the Athens-Clarke County housing market.

Information gathered by Staff related to these topic areas is provided on pages 2-3 of this memo.

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a) Method for calculating the Rate of Appreciation

Regarding the rate of appreciation for the relief valve, Staff believes that there is a strong basis for connecting the determination of that rate to the increase in assessed value that Athens-Clarke County is already determining. The Tax Assessor's Office maintains property value data on an annual basis at the individual property level and at the neighborhood level. Although those assessed values don't capture real-time changes in value like private appraisals do, they do involve the calculation of comps using sales data in the local market and the resulting data are readily accessible to both staff and property owners without incurring additional cost or procedural delays that would be associated with the preparation of appraisal data.

The text amendment has been revised to include language that addresses this issue in Section 9-15-29.e.2.v., found on page 8 of the proposed ordinance text amendments.

b) Penalty for STR-related violations

Regarding including a provision that would result in revocation of an approved STR use if a pre-determined number of STR-related violations were to occur at the subject parcel, it is worth noting the following:

- The Athens-Clarke County Zoning Code and Development Standards do not include any provision for the revocation of a permitted use due to lack of compliance. To include such a provision for a single use type represents an inconsistency that would create a potential legal challenge.
- If any of the operational aspects of an STR deviate from what code allows, ordinance-based enforcement procedures currently exist to deal with those code violations. Code violations related to parking, noise, solid waste management, trespassing, lack of permit approval, and failure to secure the annual Occupational Tax Certificate or pay Hotel-Motel Tax already have established enforcement procedures. Athens-Clarke County has created a full-time Code Enforcement position to work specifically with STR-related compliance issues that is presently staffed.
- Requiring STRs to receive a license or other form of use licensure from a local government has been proposed as a method for handling enforcement matters as such license could be revoked for lack of compliance. As the Planning Commission heard during public comment at the April 3rd meeting, owners or proponents of STRs have expressed that requiring a license to operate a STR potentially violates state law pertaining to rental registration, and creating a licensing scheme for STRs would almost certainly be subject to legal challenge on that and other bases.

c) STR Operation Data for Athens-Clarke County

Regarding the number of known STR operations in Athens-Clarke County, with accounting by zoning designation, by property ownership type, and by permit status, the requested information is provided on the following page. This data is current through April 21, 2025.

Total Operating STRs (Deckard Data)			Legal Non-Conforming STRs			Permitted STRs (since Feb 6, 2024)		
Zone	Total By Zone	Percent of Total	Zone	Total By Zone	Percent of Total	Zone	Total By Zone	Percent of Total
AR	49	3.3%	AR	22	3.1%	AR	6	5.6%
RS-5	140	9.4%	RS-5	73	10.3%	RS-5	9	8.4%
RS-8	319	21.5%	RS-8	153	21.5%	RS-8	31	29.0%
RS-15	293	19.8%	RS-15	149	21.0%	RS-15	26	24.3%
RS-25	301	20.3%	RS-25	141	19.8%	RS-25	24	22.4%
RM-1	114	7.7%	RM-1	46	6.5%	RM-1	6	5.6%
RM-2	107	7.2%	RM-2	51	7.2%	RM-2	2	1.9%
RM-3	1	0.1%	RM-3	0	0.0%	RM-3	0	0.0%
C-D	74	5.0%	C-D	42	5.9%	C-D	1	0.9%
C-G	34	2.3%	C-G	9	1.3%	C-G	2	1.9%
C-N	12	0.8%	C-N	7	1.0%	C-N	0	0.0%
C-O	25	1.7%	C-O	12	1.7%	C-O	0	0.0%
E-O	4	0.3%	E-O	1	0.1%	E-O	0	0.0%
E-I	4	0.3%	E-I	4	0.6%	E-I	0	0.0%
I	2	0.1%	I	0	0.0%	I	0	0.0%
G	3	0.2%	G	1	0.1%	G	0	0.0%
Note : Includes 4 C-STRs, 2 Special Use Permits								
Total	1482	100.0%		711	48.0%		107	7.2%

At the time of this report ACCGov Staff, with the assistance of the Rentalscape software, has identified 222 properties that have operated an STR in an RM-zoned property, with 97 of those being on the Legal Non-Conforming STR List. Under the current ordinance, one accommodation per parcel means the total number of STRs possibly allowed in RM zones is 6,328 – a significant number of possible STRs that could have a negative impact on housing availability in the Athens-Clarke County market even if only a modest percentage of these RM properties function as an STR; but the present wording has a clearly defined limit of one STR per RM parcel.

As requested, data is also provided that demonstrates that the proposed text amendment that broadens the definition of “parcel” to include every form of condominium ownership will increase the opportunity for property owners to apply for permits to convert housing into Commercial STRs (C-STRs), and a significant number of these C-STRs will also require Special Use Permit approval. If the proposed ordinance changes are adopted to remove the current definition of one accommodation per parcel, this would allow for an additional 3,546 condominium parcels to also be eligible to seek Special Use Permit approval, along with an additional 1,394 Commercially-zoned condominium parcels. Further, this text amendment could also serve to incentivize property owners to pursue division of their properties into even more condominium parcels to increase their eligibility for conversion into short-term rentals, further destabilizing the Athens-Clarke County housing market and limiting opportunities for long-term occupancy.

Planning Staff has considered how the current text amendments do or do not align with the Short-Term Rental ordinance’s purpose statements as adopted by the Mayor and Commission on February 6, 2024 - both singularly and as a collective whole. These purpose statements have guided Planning Staff to consider the collective impact of STRs in response to the Special Use Criteria’s broad language for evaluation. If the broader implications of STRs on the availability of

housing are not considered, the Special Use criteria is rendered relatively ineffective when applied to individual properties requesting C-STR use approval. Staff's concern primarily centers on the assertion that there would rarely be a reason to deny a STR request if only evaluated in isolation and on a property-by-property basis. If this is the case, Planning Staff questions the actual intent and effectiveness of reviewing any Short-Term Rental as a "Special Use."

Please feel free to contact me if you have any questions in advance of the Planning Commission meeting.

Attach.

CC: John Hawkins, ACCGov Attorney's Office
Austin Jackson, ACCGov Attorney's Office
Marc Beechuk, ACCGov Planning Department
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