



**City of Greensboro Meeting Minutes - DRAFT**

**City Council**

**May 23, 2023, 5:30 pm**

**Katie Dorsett Council Chamber**

**300 West Washington Street, Greensboro, NC 27401**

Present: Mayor Nancy Vaughan, Mayor Pro-Tem Yvonne Johnson, Councilmember Marikay Abuzuaiter, Councilmember Sharon Hightower, Councilmember Nancy Hoffmann, Councilmember Hugh Holston, Councilmember Zack Matheny, Councilmember Tammi Thurm, and Councilmember Goldie Wells

Also Present: City Manager Taiwo Jaiyeoba, Deputy City Manager Chris Wilson, City Attorney Chuck Watts, City Clerk Angela Lord, and Deputy City Clerk Victoria Howell

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**A. CALL TO ORDER**

Note: These City Council minutes are a general account of the May 23, 2023 meeting. For full details of discussions, the meeting video can be located on the City of Greensboro website at <https://www.greensboro-nc.gov/government/city-council/council-meetings> .

This City Council regular meeting of the City of Greensboro was called to order at 5:32 p.m. on the above date in the Katie Dorsett Council Chamber of the Melvin Municipal Office Building.

Mayor Vaughan confirmed all members of Council were in attendance.

**B. MOMENT OF SILENCE**

The meeting opened with a moment of silence.

**C. PLEDGE OF ALLEGIANCE**

Mayor Vaughan recognized Councilmember Matheny to lead the Pledge of Allegiance to the Flag.

**D. COUNCIL PROCEDURE FOR CONDUCT OF THE MEETING**

Mayor Vaughan explained the Council procedure for conduct of the meeting.

**E. PUBLIC HEARING**

**E.1 2023-370 Public Hearing for an Ordinance Amending the Greensboro Land Development Ordinance in Relation to Short Term Rentals**

Mayor Vaughan stated this was the time and place set for a public hearing to consider item E.1./2023-370 a public hearing for an ordinance amending the Greensboro Land Development Ordinance to Short Term Rentals; suggested a 750 foot separation between Short Term Rentals (STR's); a deletion of the two-night minimum requirement; parking limits of one car per bedroom; and instructing staff to include a insurance requirement within the permitting process.

Moved by Councilmember Hightower, seconded by Councilmember Abuzuaiter to include a 750 foot separation between STR's. The motion carried by a 8-1 voice vote with Mayor Pro-Tem Johnson voting "No".

Moved by Councilmember Thurm, seconded by Councilmember Holston to remove the minimum two-night stay requirement. The motion carried by voice vote 9-0.

Moved by Councilmember Holston, seconded by Councilmember Thurm to revise the parking regulations to limit one car per bedroom. The motion carried by voice vote 9-0.

Moved by Councilmember Hoffmann, seconded by Councilmember Wells to have staff include an insurance requirement in the permit process. The motion carried by voice vote 9-0.

The following speakers were allowed 3 minutes each during the public hearing:

Melvin Manuel, Randy Little, Dottie Erickson, Kathe Latham, Joy Watson, Joyce Eury, Luther Falls Jr., Cheryl Pratt, Corliss McGinty, Kara Douglas, Lyn Haeslert, Michael Pendergraft, Chris D., Jon Enos, James Hadden, Dassi Sklin, Todd Schwartz, Lynn Brandon, Carrie Foley, JT Jobe, Ann Stringfield, Michael F., Nathan Bell, Selden Morris, and Megan Callahan.

Discussion took place regarding occupancy tax; STR owner permits; council ownership of rental properties; and extended stay rentals.

Moved by Councilmember Matheny, seconded by Mayor Pro-Tem Johnson to close the public hearing. The motion carried by voice vote.

Discussion continued regarding separation distances; parking regulations; operational processes; lottery complications; permit processes, clarification of common living areas; ordinance enforcement; Homeowner Associations regulations; Greensboro as a Welcoming City; Senate Bill 667; an effective date of January 1, 2024, and economic growth.

**Moved By** Councilmember Thurm

**Seconded By** Councilmember Matheny

Motion to adopt the resolution as amended was approved.

Ayes (9): Mayor Vaughan, Mayor Pro-Tem Johnson, Councilmember Abuzuaiter, Councilmember Hightower, Councilmember Hoffmann, Councilmember Holston, Councilmember Matheny, Councilmember Thurm, and Councilmember Wells

**Carried (9 to 0)**

23-056 AMENDING CHAPTER 30 (LDO)

AN ORDINANCE AMENDING THE GREENSBORO CODE OF ORDINANCES

WITH RESPECT TO ZONING, PLANNING AND DEVELOPMENT

(Editor's Note: Added text shown with underline.)

Section 1. That Table 8-1, Permitted Uses, is hereby amended by inserting a use labeled "Short Term Rental" as a use within the subcategory Overnight Accommodations, with a "U" in the R-3, R-5, R-7, RM-5, RM-8, RM-12, RM-18, RM-26, RM-40, O, MU-L, MU-M and CB columns and with "30-8-10.4(U)" in the Standards Column and inserting a use labeled "Short Term Rental".

Section 2. That Section 30-8-8.3(A), Overnight Accommodations, is amended to add the following use:

- 4) Short Term Rental, Homestay
- 5) Short Term Rental, Whole House

Section 3. That Section 30-8-10.4, Office, Retail, and Commercial Uses, is amended to add the following additional use standards:

(U) Short Term Rentals

The intent of these standards is to ensure the level of activity related to short term rentals does not change the character of property for residential use or create significant negative impacts on adjacent residential uses.

- 1) Short Term Rentals are allowed only in residential dwelling units
- 2) A Short Term Rental must be separated from any other Short Term Rental by a minimum of 750 feet, as measured from property lines (property separation as defined in 30-7-1.2).
- 3) Short Term Rentals are required to secure a zoning permit and have the permit conspicuously posted on the associated property and on any advertisements or postings related to the short term rental. A new zoning permit is required if the property owner or local operator changes and must be done within 30 days of the change in owner or operator. This permit may be denied or revoked by the Planning Department based on either the conviction of the owner/operator of a criminal offense on the Short Term Rental premises as outlined under North Carolina General Statutes or having two or more verified violations of this or any other City ordinance on the Short Term Rental premises within a 365 day period, in addition to any other enforcement actions outlined in 30-5-4.
- 4) No more than two (2) adults per bedroom rented are allowed. Children and other persons under age 18 as of the date of the rental do not count towards this cap.
- 5) Gatherings that are publicly announced or promoted (through any means) and involve more than 2 times the number of persons renting the property are prohibited.
- 6) Exterior signage is prohibited.
- 7) Local operators or property owners for whole house rentals must be physically located in Guilford County or counties directly adjacent to Guilford County, place their contact information prominently in the short term rental, and be readily accessible throughout the rental period.
- 8) Short Term Rentals shall comply with all applicable State and local laws including, but not limited to, minimum housing, building and fire codes and shall pay all appropriate taxes, including occupancy taxes, to the relevant governmental entities. Failure to do so will constitute grounds for revocation of the zoning permit.
- 9) For multifamily buildings no more than one dwelling unit per building or 25% of the total units per building, whichever is greater, may be used as a short term rental.

10) Parking for Short Term Rentals is limited to 1 car per bedroom rented.

11) A Short Term Rental shall have the same parking rights as the dwelling unit where it is located and shall be subject to any relevant community standards normally applied to the dwelling unit.

12) All Short Term Rentals must be in compliance with these standards by January 1, 2024.

Section 4. That Section 30-15-3, Terms Beginning with ‘B’ is amended to add the following definition:

Bedroom

Room furnished with a bed and primarily used for sleeping that includes at least one clearly defined exterior exit (door and/or window) to allow for escape in an emergency. Does not include common living areas not furnished with a bed on a regular basis.

Section 5. That Section 30-15-12, Terms Beginning with ‘L’ is amended to add the following definition:

Local Operator

Individual or property management company with identified point of contact that may change on a recurring basis.

Section 6. That Section 30-15-18, Terms Beginning with ‘S’ is amended to add the following definitions:

Short Term Rental

The rental (for a fee or other valuable consideration) of a portion or all of available bedrooms of a residentially used property for a period of no more than 30 days. The property may include an onsite accessory dwelling unit as part of a short term rental. All Short Term Rentals are classified as either a Homestay or a Whole House rental.

Short Term Rental, Homestay

The rental of only a portion of available bedrooms of a residentially use property to persons for a fee. The host for the rental must use the property as their primary residence and be on site during the rental.

Short Term Rental, Whole House

The rental of all available bedrooms of an entire residence (at any time) to persons for a fee. If the host does not use the property as their primary residence, a local

operator (with local contact) must be identified and contact information provided to the City of Greensboro Planning Department

Section 7. All ordinances in conflict with the provisions of this ordinance are repealed to the extent of such conflict.

Section 8. This ordinance shall become effective on January 1, 2024.

(Signed) Tammi Thurm

**F. GENERAL BUSINESS AGENDA**

F.1 2023 – 397 Resolution Authorizing Commitment to Step Up on Second, Inc., for Permanent Supportive Housing Project Located at 2701 N O’Henry Blvd)

Philip Marsh voiced concern regarding previous conversations; and the Interactive Resource Center.

Discussion took place regarding land swapping; and pallet homes.

**Moved By** Councilmember Thurm

**Seconded By** Councilmember Matheny

Motion to adopt the resolution was approved.

Ayes (9): Mayor Vaughan, Mayor Pro-Tem Johnson, Councilmember Abuzuaiter, Councilmember Hightower, Councilmember Hoffmann, Councilmember Holston, Councilmember Matheny, Councilmember Thurm, and Councilmember Wells

**Carried (9 to 0)**

129-23 Resolution to AUTHORIZE COMMITMENT of up to \$1,026,000 TO STEP UP ON SECOND, INC., and 20 YEAR STEP DOWN FORGIVENESS OF CURRENT CITY LIEN FOR PERMANENT SUPPORTIVE HOUSING PROJECT LOCATED AT 2701 N O’HENRY BLVD

WHEREAS, the City has engaged with Step Up on Second, Inc., (Step Up) a California-based non-profit and nationally recognized leader of the development and operation of permanent supportive housing projects across the nation;

WHEREAS, the Housing First approach targets the highest acuity individual homeless population and is a national best practice for housing the chronically homeless;

WHEREAS, Step Up utilizes hotel/motel conversions for efficiency, speed of project development, and cost of operations for Housing First projects;

WHEREAS, Step Up has a purchase agreement with Partnership Homes for the former Regency Inn site at 2701 N O'Henry Blvd and will bring private equity to the development of the property for an anticipated 57 units of permanent supportive housing;

WHEREAS, the City will commit to funding for case management services at \$500 per client per month for a three year period;

WHEREAS, the City is currently the beneficiary of a deed of trust securing the City's investment of \$3,030,700 paid to assist Partnership Homes in purchasing the former Regency Inn;

WHEREAS, this debt secured by this deed of trust shall be assumed by Step Up and the deed of trust will be rerecorded to continue securing the City's investment pursuant to the terms set out herein, though the deed of trust may be subordinated to accommodate financing required by Step Up, with the approval of the City Manager pursuant to the City's policies regarding subordination;

WHEREAS, during the first ten years of operation by Step Up, or its approved assignee, should the City decide to stop funding the case management expenses or should housing vouchers not be available from the Greensboro Housing Authority, the City's ability to foreclose on the deed of trust or otherwise recover it's investment will be limited to recovering 5% of the City's investment for each year that the City fully funded the case management expenses and that the Greensboro Housing Authority provided housing vouchers;

WHEREAS, should the City and the Greensboro Housing Authority stop providing funding or housing vouchers, respectively, after 10 years of operation, the City may recover only 50% of its investment and for each year thereafter, the investment will be reduced by an additional 5% for each full year of operation and finally completely forgiven after twenty years of continued operation;

WHEREAS, should Step Up, or a subsequent assigned provider, discontinue operations for any reason whatsoever, apart from the City or the Housing Authority discontinuing funding or housing vouchers, the City's investment will be reduced by 5% for each year of operation. After 20 years of operation, the City will cancel the deed of trust and consider the City's investment as having been paid in full; and

**NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF GREENSBORO:**

That it approves the resolution authorizing the acquisition of 2701 N. O'Henry Blvd by Step Up on Second, Inc., a negotiated twenty year step down of the

existing City lien in accordance with the terms outlined above, and a three year commitment of funds for case management totaling up to \$1,026,000, and authorizes the City Manager to execute documents and contracts related to these actions.

(Signed) Tammi Thurm

**G. MATTERS TO BE DISCUSSED BY THE MAYOR AND MEMBERS OF THE COUNCIL**

There were no items for discussion by the City Council.

**H. MATTERS TO BE PRESENTED BY THE CITY MANAGER**

There were no items for discussion by the City Manager.

**I. MATTERS TO BE PRESENTED BY THE CITY ATTORNEY**

There were no items for discussion by the City Attorney.

**J. ADJOURNMENT**

Moved by Councilmember Matheny, seconded by Councilmember Thurm, to adjourn the meeting. The motion carried by voice vote.

The City Council Adjourned at 7:32 p.m.

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Nancy Vaughan, Mayor

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Angela Lord, City Clerk