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PLANNING

**DATE:** February 10, 2025

**TO:** Greensboro City Council  
Nathaniel Davis, City Manager

**FROM:** Sue Schwartz, Director  
Mike Kirkman, Zoning Administrator

**SUBJECT:** Proposed Change to Short Term Rental Regulations

At its February 18, 2025 meeting, City Council will consider amending the City's Short Term Rentals regulations to remove the current 750 foot separation requirement between Short Term Rentals. Please find information below for additional context on the proposed ordinance change as well as updates on the City's permitting and enforcement of Short Term Rentals.

**Background**

On May 23, 2023 City Council approved changes to the Land Development Ordinance (LDO) to create a consistent definition for Short Term Rentals in Greensboro as well as a number of development standards for this newly defined use. The new regulations, which went into effect April 1, 2024, included a requirement that any new Short Term Rental must be separated from any other Short Term Rental by at least 750 feet, measured property line to property line.

The City is presently involved in litigation challenging the Short Term Rental ordinance, including the 750 foot separation requirement. The City Attorney's Office has advised that the 750 foot separation requirement is particularly vulnerable to legal challenge based on established case law. In *Schroeder v. City of Wilmington*, 282 N.C. App. 558 (2022), the North Carolina Court of Appeals struck down Wilmington's separation requirement (along with numerous other provisions), reasoning that it served as a functional cap on the number of Short Term Rentals within the city and was inextricably tied to an impermissible registration requirement. Of the other large and mid-sized municipalities around the state that have a Short Term Rental ordinance, none surveyed currently include a separation requirement.

Separately staff notes that the City has already permitted over 550 Short Term Rentals thus far, with current estimates of active Short Term Rentals citywide at around 630. Zoning enforcement is actively pursuing any properties without zoning permits. The City, through its third party vendor, has also implemented a 24 hour information and complaint hotline that went live in August 2024. The hotline shows that our system is adequate. Almost half of the contacts through this hotline have been general inquiries. The remainder have been items

related to concerns about trash, noise issues, parking or other concerns. Through this hotline identified local operators are immediately contacted with any complaints and have generally addressed identified concerns within a short period of time.

**Impacts of Change to Ordinance and Recommendation**

Absent this proposed text change, litigation would cause the entirety of the Short Term Rental ordinance to be reviewed by the courts. Removing just the spacing requirement (as proposed) would not impact any other requirements of the Short Term Rental ordinance. Requirements for having a valid zoning permit from the City (revocable if 2 violations of City ordinances within 12 months) and having a local operator based in Guilford County or adjacent counties bolsters accountability and quick resolutions of issues.

The City's success in getting Short Term Rentals permitted (with responsible parties identified that can be contacted immediately with any issues) and the limited number of complaints filed for Short Term Rentals through the information/complaint hotline point to success in adequately regulating this use in Greensboro. Removal of the spacing requirement would also be helpful to permitting many remaining Short Term Rentals that can't meet the separation requirement and providing additional options for property owners to use their properties.

Based on these factors it is recommended that City Council receive public comment at their February 18, 2025 meeting and approve the ordinance change to remove the 750 foot spacing requirement for Short Term Rentals. As with any text amendment the Council will have the option to approve the text amendment as proposed, approve the text amendment with changes or to not approve the text amendment. As noted previously, approval of the proposed text amendment to remove the spacing requirement will not impact any other standard tied to Short Term Rentals.