



**VILLAGE COUNCIL
MINUTES FOR WORK SESSION OF FEBRUARY 08, 2022
ASSEMBLY HALL
395 MAGNOLIA ROAD
PINEHURST, NORTH CAROLINA**

IMMEDIATELY FOLLOWING THE REGULAR MEETING

The Pinehurst Village Council held a work session at 7.01 p.m., Tuesday, February 8, 2022, in the Assembly Hall of Pinehurst Village Hall, 395 Magnolia Road, Pinehurst, North Carolina. The meeting was streamed in real time on the Village's website.

The following were in attendance:

Mr. John C. Strickland, Mayor
Mr. Patrick Pizzella, Mayor Pro Tem
Ms. Lydia Boesch, Councilmember
Mr. Jeffrey Morgan, Councilmember
Ms. Jane Hogeman, Councilmember
Mr. Jeffrey M. Sanborn, Village Manager
Ms. Kelly Chance, Village Clerk

And approximately 16 attendees, including 6 staff and 1 press.

1. Call to Order.

Mayor John Strickland, called the Council work session to order.

2. Discuss Short-Term Rentals.

Darryn Burich, Planning and Inspections Director presented Council with an update on staff's work on short-term rentals. He noted there has been a lot of conversation from concerned citizens on the lack of regulation on short-term rentals within the Village of Pinehurst. Mr. Burich stated there is not a currently regulations in the PDO and for them to be regulated, they would first have to formally define short-term rentals, and then indicate what zones they would be allowed to be located in. He noted they are currently allowed in all zones from single-family to mixed use zones.

Mr. Burich stated they currently have a couple of different definitions on what constitutes a short-term rental. Councilmember Hogeman asked if the definition listed is from a state definition. Mr. Burich stated it is from the NC Building Codes, as is all the definitions for dwelling, permanent and rental. He stated it appears that our concentration needs to be on single dwelling short-term rentals. Councilmember Hogeman stated that perhaps our concerns are more on the activities that occur in certain zones, rather than what dwellings they occur in.

Mr. Burich stated they are proposing to create a zoning ordinance that would regulate where short-term rentals are allowed and then this would lead to ordinance requirements that would need to be regulated. Councilmember Boesch asked if the Village created a specified short-term district, then would they only be allowed in that district, to which Mr. Burich stated yes. Mayor Strickland stated this is only one option we could look at and we are not at the point to decide on what option would be best.

Councilmember Hogeman asked what standards currently apply to bed and breakfast in the Village. Alex Cameron, Planning staff, provided the definition of homestead rentals which is what bed and breakfast would fall under. Mayor Pro Tem Pizzella asked why we need to divide the Village into districts and why we could not just develop an ordinance that refers to short-term rentals. Mr. Burich stated we could but then you would have to allow them in all districts to regulate them.

Councilmember Morgan stated he thinks the Village needs to set our objectives first on what we want to accomplish first before we discuss district restrictions. He stated we have property owners who are legacy owners who have short-term rentals already established and he wants to ensure we protect property owner rights as well. Mr. Burich stated he felt the objectives center around the quality-of-life complaints that arise from short-term rentals. Councilmember Morgan said we have a financial aspect around this and an obligation to protect property owner's rights. He stated the first step is to determine these objectives.

Councilmember Hogeman stated we need to also understand the enforcement part and ensure we don't put something in place, a regulatory framework, that is not realistically enforceable. She stated Southern Pines limits short-term rentals to only commercial areas. Village Manager Sanborn stated short-term rentals are only going to be on residential properties. He asked if the result Council is looking for is that we want the impact from Short-term rentals is the same as what we want from our long-term residents. Councilmember Boesch stated she sees it as we want all short-term rental occupants to behave themselves, such as residents.

Councilmember Hogeman stated we need to provide details on the activity of short-term properties so if an activity occurs, we can say that activity is not allowed in that zone. Councilmember Morgan reiterated again that we need to first form our objectives before we talk guidelines. He pointed out most short-term rentals appear to be within the Historic District. He stated if we say we can only have short-term rentals in certain districts than we have stepped on property owner rights of those who are already established and perhaps purchased that land for that usage. He stated we need to enforce behaviors not property rights.

Mayor Strickland stated we need to state our objectives and start from there. Mayor Pro Tem Pizzella stated we already have areas that are restricted that do not allow it, so we have eliminated some areas already. Councilmember Boesch stated our chief complaints are noise, parking of too many cars, and occupancy of too many per house. She asked if we could enforce those. Village Manager Sanborn said we can regulate how the rental is advertised. Mr. Burich stated we would do a permitting requirement as the first check on this, which would provide the rules and parameters we allow.

Councilmember Boesch stated this would require more staff time and a fee being charged for this. She stated this would cover most of the complaints we are trying to combat. Councilmember Morgan provided some objectives that make sense for the Village to adopt. He stated we need to determine these objectives, then get input from the community and those residents who are renting these properties. Mayor Pro Tem Pizzella stated he wants us to regulate those out of state owners who use Airbnb. Councilmember Boesch stated that is a property owner's right.

Mayor Strickland stated we need to concentrate on the obvious nuisance type problems, but we need to first focus on the policy that will state our objectives. This will give us the framework to work the further details from. Councilmember Morgan stated that one certain thing is not going to solve our problem, like restricting the zones they are allowed in, and we are not going to please everyone. He stated he receives emails and phone calls from residents who want short-term rentals and those who don't, so we are not going to come up with a perfect plan for everyone.

Per the Council's request, Mr. Burich and staff will develop some policy objectives and present to Council at the next meeting.

3. Small Area Plans Discussion.

Mr. Burich presented some further information on the comments received at the open-house meeting, public workshop. He stated there was approximately 108 present, not including staff and they did receive some good comments. Mr. Burich explained the process to date on the Small Area Plans. He noted the Plans are a concept plan that sets a vision for the area, and they are not meant to be regulators. He stated once a plan is adopted, those regulatory guidelines would be determined.

Mr. Burich noted the plan that staff moved forward on is from the consensus of the Council, with Councilmember Hogeman stating her opposition. He stated the zoning phase does not occur until a plan has been adopted. Mr. Burich stated he would agree to have another open-house and then they would need to take the comments that come from this and present it to the Planning and Zoning Board. He stated staff needs direction from Council on the next steps.

Mr. Burich states he needs to know from Council on what specifics they need to focus on in the plan, likes or dislikes. He noted that staff has already made numerous changes based on Council input and desires, but if we need to reevaluate those decisions, then staff just needs to know.

Mayor Strickland stated the concerns he has been hearing are on Land Use, traffic generation issue, zoning and what would that look like, density issues and pressures of population, and the idea that Pinehurst is not in need of creating commercial and residential growth and change, so what is the best mix for the future. He stated we do not need to build just to meet demand.

Councilmember Hogeman stated she would like to see more public input and a venue where the public, Council and staff can all have more of a conversation. She stated a better venue would be a town-hall type meeting. She stated the plans are complex and

confusing and she finds the detailed plans including cars and buildings including on the plan, that aren't going to be there, to be difficult to decipher. She stated she would like to see zoning districts on the plans and clearly defined boundaries. Councilmember Hogeman stated she would like to have a session to talk directly with the Consultants and then have the opportunity for Council to look at the data before it is sent to the Planning and Zoning Board. She stated the plans appear to be based on the marketing analysis instead of community desire.

Councilmember Morgan stated he does agree this needs to come back to Council where there will be philosophical differences that will not make the entire community happy. He agrees the plan does show compliance with the 2019 Comprehensive Plan and he understands this is a living document that can be changed. He stated before the Council can provide more direction to staff, they do not to speak with the Consultants, come to a consensus as a Council, and then determine the next steps. He noted we do not have a requirement to stay exactly with what is in the Comp Plan, but that is a discussion for the Council to have.

Mayor Pro Tem Pizzella stated he is impressed with the comprehensiveness of the plan but not impressed with the proposed recommendations. He stated he saw things that would be harmful to traffic and infrastructure in the future. He stated he felt the Consultants should be presenting this plan and defending it, not staff. He noted they were paid to develop the plan and should meet with Council to talk about the results. Mayor Pro Tem Pizzella asked if a section of the plan doesn't happen, does that affect the rest of the area.

Village Manager Sanborn stated that this is only a conceptual plan that shows opportunities. He noted this does not mean that any of it will occur and those decisions will only be made by Council decision. Mayor Pro Tem Pizzella asked about the referral to form-based code and asked for some education on this. He stated Council needs to determine the true cost of the plan. He noted the Fiscal Impact Analysis shows that all these proposals are losers. He stated it does not look like we have a winner according to their data.

Mayor Pro Tem Pizzella stated he noticed the design comes within 1100 feet of some back yards and he is not comfortable with this. He stated he feels a plan looking at 30-50 years out is too much. He wants to see a focus on 3-5 years. He stated he feels that this does not answer the questions of the residents and does not meet their desires. He stated he will listen, but he does not feel this is a good plan. He asked why we need a gateway at Rattlesnake Trail which would cause too much more traffic in that area. He stated this would cause harm to those walking around the Canon Park area. He thanked the staff for the time they have put into the plan.

Councilmember Boesch stated her greatest concern is that the public wants different housing options, and this could be done in Pinehurst South. She stated she would like to hear what the public said during the open-house, and she wants people to know we are listening. She stated that she knows that some of the comments the public has made is not accurate and she is thankful of the work that staff has done and their willingness to answer the public's questions.

Councilmember Boesch asked if there are areas around that are like this plan, and Mr. Burich stated Walker Station would be a good example. He stated it provides a lot of housing variety, greenspace, and the one thing it lacked was a place to walk to, which the plan would provide. Councilmember Boesch stated this plan shows a uniformity in the community that is just being replicated and not far-outreaching. She stated she felt we have done a lot of public engagement, and this is a 30-50-year plan that does not mean we have to do any of this right away. She noted we know right now we are already working on traffic issues, so this plan is not meant to fix issues that may incur that far down the road. Mr. Burich stated these plans typically are only relevant for a 7-to-10-year period.

Councilmember Boesch stated she wants to note that every plan Council has done, has built upon prior plans. She stated we do not need to correct every deficiency now before we adopt this and we will, as we go, be tweaking this. She noted there are people in the community who really do like this, and she doesn't feel it is as bad as people want us to think it is. She stated it does stay with the 2019 Comp plan and it is a good plan.

4. Other Work Session Business.

- No other work session business was discussed.

5. Potential Future Agenda Items.

- No future agenda items were discussed.

6. Motion to Adjourn.

Upon a motion by Mayor Pro Tem Pizzella, seconded by Councilmember Morgan, Council unanimously approved to adjourn the work session, by a vote 5-0, at 9:15 p.m.

Respectfully Submitted,


Kelly Chance,
Village Clerk

A videotape of this meeting is located on the Village website: www.vopnc.org

Vision: The Village of Pinehurst is a charming, vibrant community which reflects our rich history and traditions.

Mission: Promote, enhance, and sustain the quality of life for residents, businesses, and visitors.

Values: Service, Initiative, Teamwork, and Improvement