

## MINUTES

Members Present: Chair Butler; Commissioners Chroust-Masin, Drabkin, Hall, Hillestad, Morgan, Stassens, Thomas, Tiedge

Members Absent: None

Staff Present: Mr. Montgomery, Mr. Pomeroy, Ms. Haines, Ms. Kindel

### 1. **Approval of Minutes:** June 19, 2014

Vice Chair Stassens called the meeting to order at 6:30 p.m., and called for action on the Planning Commission minutes from the June 19, 2014, meeting. She noted for the record the names of the Commissioners who had attended that meeting, and Chair Butler MOVED to APPROVE the minutes as presented; SECONDED by Commissioner Hall. Motion PASSED unanimously by six Commissioners present at that time. (Commissioners Drabkin, Tiedge, and Morgan joined the group later; 6:32 p.m., 6:36 p.m., and 7:29 p.m., respectively.)

### 2. **Public Hearing (Quasi Judicial)**

#### ◆ **Docket CU 6-14**

Request: Approval of a conditional use permit to allow for the operation of a bed and breakfast establishment within an existing residence.

Location: 707 NW Alder Street, and is more specifically described as Tax Lot 12400, Section 20AA, T. 4 S., R. 4 W., W.M.

Applicant: Martin Brown

Vice Chair Stassens opened the public hearing at 6:35 p.m., and requested disclosures, abstentions, or objections to jurisdiction. Commissioner Thomas disclosed that she was acquainted with the applicants and had been to their home as a guest, but stated that fact would not influence her decision on the application request. There were no further disclosures, and Vice Chair Stassens requested the staff report.

Mr. Pomeroy said that the application request was as described in the staff report. He said that it was straightforward, met all of the required conditions of approval, and staff recommended approval with one condition specific to the Transient Lodging Tax registration.

Vice Chair Stassens called for the applicant's testimony.

Martin Brown said they had raised five children in their home and now had the space and opportunity to use the residence as a bed and breakfast establishment. He noted that the subject site was the location of a bed and breakfast establishment previously, known as the Alder Street Bed and Breakfast, prior to 1996 when they purchased it. Mr. Brown said they would be happy to comply with the condition of approval.

There was no proponent or opponent testimony and Vice Chair Stassens called for public agency testimony.

Mr. Pomeroy said that no comments had been received from public agencies.

Mr. Brown waived the seven-day time period allowed for submission of final written arguments in support of the application, and Vice Chair Stassens closed the public hearing at 6:42 p.m.

There was no discussion of the application by the Commissioners, and Commissioner Drabkin **MOVED**, based on the findings of fact, the conclusionary findings for approval, and the material submitted by the applicant, to **APPROVE CU 6-14**, subject to the condition of approval listed in the staff report; **SECONDED** by Commissioner Thomas. Motion **PASSED** unanimously by the eight Commissioners present.

### **3. Public Hearing (Quasi Judicial)**

#### **◆ Docket CU 7-14**

**Request:** Approval of a conditional use permit to allow for the operation of a bed and breakfast establishment within an existing residence.

**Location:** 648 NW 16<sup>th</sup> Street, and is more specifically described as Tax Lot 1900, Section 17DC, T. 4 S., R. 4 W., W.M.

**Applicant:** Michael and Valerie Rogers

Vice Chair Stassens opened the public hearing at 6:43 p.m., and requested disclosures, abstentions, or objections to jurisdiction. Commissioner Drabkin stated that she had a potential conflict of interest because the applicants owned the Oregon Wine Cottage (vacation rental), and a number of their guests were also her customers. However, she said that fact would not influence her objectivity in considering the application request. There were no further disclosures, and Vice Chair Stassens requested the staff report.

Mr. Pomeroy said the application was for a conditional use permit in order to operate a bed and breakfast establishment at the subject site. He said the application was straightforward, met all of the required criteria, and staff recommended approval, subject to one condition of approval relative to the Transient Lodging Tax registration.

Vice Chair Stassens called for the applicant's testimony.

Michael Rogers said that he and his wife had started a vacation rental seven years ago; which was doing very well. Since that time, he said that their children had moved out of their home, and they now wanted to develop a bed and breakfast establishment for his wife to operate, in addition to their vacation rental.

There was no proponent testimony, and Vice Chair Stassens called for opponents' testimony.

Larry Brown said he did not know whether he was opposed to the proposed use, but rather had "concerns." He listed his concerns as "parking, the structure itself, what kind of operation, and what happens with the operation." He explained that there were currently three vehicles parked at the residence, only one of which parked in the driveway, and visitors to the subject site parked on both sides of the street, rather than in the driveway. He also expressed concerns about upkeep and questioned what the ramifications would be if the applicants moved after the use was approved. Mr. Brown also stated that the application indicated there was a walkway on the subject site; however, he said the walkway did not exist. In addition, he said there was a tree in the planting strip in front of the subject site that "probably needs to come down." He also informed the Commissioners that 16<sup>th</sup> Street was very busy between 8:00 and 9:00 a.m. and around 4:00 p.m. because of buses and parents delivering children to the nearby school. Mr. Brown asked if the establishment would be non-smoking.

Vice Chair Stassens informed Mr. Brown that the walkway was not a required condition of approval.

John Ashbaugh said he lived on 16<sup>th</sup> Street and pointed out that there were no stop signs in the area, which could potentially put children at risk. He said he had two daughters and had concerns about the proposed use bringing strangers into the neighborhood.

Starr Ashbaugh added that they also had foster children, and asked whether there would be background checks on the guests who stayed at the bed and breakfast establishment. She also wanted to know if approval of the application would affect their property value or taxes.

Vice Chair Stassens said that she understood their concerns; however, they were not related to the application or the approval criteria.

Dee Staple, 744 NW 17<sup>th</sup> Street, said she lived a block away from the subject site and was not in opposition to the request, but had questions about it. She said her only question was whether there was a maximum occupancy for the proposed use.

Mr. Pomeroy said that occupancy was limited to five people unrelated to the family.

Eve Fuller Riggs, said she was speaking on behalf of her mother, Betty McKinney, who lived next door to the subject site. She explained that her mother was opposed to the proposed use for all of the reasons already mentioned. In addition, she said her mother was concerned about the use of the applicant's back yard and patio, smoking, parties, young people coming and going, traffic, and street parking associated with the bed and breakfast.

Richard Easterday, 1616 NW Michelbook Lane, which was approximately 150 feet from the proposed bed and breakfast, said his concern was that he did not want another commercial enterprise of any kind in his neighborhood. He said he felt this was the beginning of something that would be a "crack in the door" where other things would develop commercially. He also listed concerns about traffic, parking, crime, safety for children, impact on property values and taxes.

Ms. Staple asked whether the conditional use permit could be revoked.

Mr. Pomeroy said that staff would respond to any concerns or complaints about the facility, and contact the property owner to discuss them. Beyond that, he said that if complaints were filed against the establishment and forwarded to the Planning Commission for review at a public hearing, the permit could then be revoked, if deemed appropriate.

There was no further testimony, and Vice Chair Stassens called for the public agency report.

Mr. Pomeroy said there were no comments from public agencies.

Vice Chair Stassens called for the applicant's rebuttal testimony.

Mr. Rogers discussed his experience with operating a vacation home rental, and the growth in popularity of such rentals since they opened the Oregon Wine Cottage in 2007. He stated that clientele were typically law-abiding, refined, responsible individuals. He pointed out that he and his wife had a vested interest in their neighborhood, and would not do anything to jeopardize themselves or their neighbors. With regard to traffic, he said they had raised two children who each had a car as well as friends with cars, so there should be less traffic associated with the bed and breakfast. He said he did not think people would notice any change in the neighborhood if the application was approved, and stated that neither smoking nor children would be permitted.

Discussion ensued as regard the existence of a pathway to access the proposed bed and breakfast area of the home, as well as whether sidewalks were present on both the Thomsen and 16<sup>th</sup> street frontages.

The applicant waived the seven-day time period allowed to submit final written arguments in support of the application, and Vice Chair Stassens closed the public hearing at 7:19 p.m.

Further discussion ensued with regard to the existence of a pathway to access the proposed bed and breakfast area of the home, whether sidewalks were present on both the Thomsen and 16<sup>th</sup> street frontages, and possible traffic impacts from vehicles associated with guests.

Commissioner Drabkin stated that most of the opponents' concerns could not be controlled or considered because the issues were unrelated to the approval criteria.

Commissioner Hall said that this situation was similar to others that had come before them, where people expressed concerns about things that "might" happen, but past experience had demonstrated those concerns were unfounded.

Vice Chair Stassens noted that the same concerns had been expressed for similar applications, yet there had never been a single complaint following approval of the use. Therefore, she said experience had shown such uses were very compatible with residential neighborhoods. She also reiterated that they could not consider testimony unrelated to the approval criteria, which the application clearly met.

Commissioner Tiedge MOVED, based on the findings of fact, the conclusionary findings for approval, and the material submitted by the applicant, to APPROVE CU 4-14, subject to the condition of approval as detailed in the staff report; SECONDED by Commissioner Chroust-Masin. Motion PASSED unanimously by the eight Commissioners present.

#### 4. Work Session (no public testimony taken)

- ◆ Discussion of McMinnville's current conditional use permit process used to review vacation home rental and bed and breakfast uses, and possible alternatives to that process.

Commissioner Morgan took his seat at the dais at 7:29 p.m., and Vice Chair Stassens referenced the information provided by staff regarding options for processing bed and breakfast and vacation home rental establishments. She asked staff to provide an overview of the details outlined in the document.

Mr. Montgomery referred the Commissioners to the memorandum and attached materials that had been included in their meeting packets. He said the purpose of the work session was twofold; the first was to review and discuss current and possible alternate review processes related to vacation rental and bed and breakfast establishments; and secondly, to receive direction from the Commissioners as to whether they wished to move it forward to a public hearing and review process, or to simply retain the current process; in effect do nothing. Mr. Montgomery said that, based upon a review of the history of these types of proposals and the information provided, staff recommended they give strong consideration to amending the application process to that of a "Planning Director with Notice." Background and details relative to that alternative had been provided in the memorandum, he said.

In response to questions about application processing costs, Mr. Montgomery reminded the Commissioners that aspect had not been part of the directive; however, the City Council's policy was to recover 40 percent of actual costs for applications subject to Planning Commission review. He suggested it would be less costly for an application that was reviewed administratively, although he admitted he did not know what that cost difference would be. He affirmed that all applications were subsidized, as pointed out by Commissioner Tiedge, and explained the process to revise application fees.

Commissioner Hall expressed his opinion that the issue was not about cost in dollars, but rather staff time and Planning Commissioners' time. He explained that when a process was new, there was not enough information available to assess what would work most effectively, or how to administer and oversee it. He said they now had enough experience with bed and breakfast and vacation home rental applications to see that it was working, as evidenced in part by the fact that there had been no complaints once the applications were approved. Therefore, he said it seemed that they had reached a point where staff could administer it administratively; and, although it may not save dollars, it would save a lot of time for a lot of people.

Commissioner Tiedge said that, although it was routine for the Planning Commissioners to consider the criteria, he did not believe it was routine for citizens. The fact that many of the concerns expressed were outside the criteria, he said was indicative of citizens' unfamiliarity with the applicable criteria. However, individuals were more educated and informed as to what the criteria were following a public hearing, he said, and as a result, could more effectively communicate with elected officials as to whether or not the criteria were appropriate. In his point of view, therefore, citizens received an education they would not have gotten otherwise, by virtue of having an opportunity to attend a public hearing. For that reason, he said the Commissioners' time was not wasted, and if that element was removed from the application process, citizens would be deprived of something to which they were entitled.

Commissioner Hillestad said he agreed with Commissioner Tiedge.

Mr. Montgomery provided clarification at the request of Chair Butler and said the suggested administrative review process would provide notice to property owners within a 100-foot radius from the subject site, rather than the current 200-foot radius; however, the Planning Commissioners could propose a different radius if they wished to.

Chair Butler said he did not believe any of the opponents of the application received an education. Although they were able to vent their frustrations, he said the Commissioners did not truly provide answers because the questions and concerns raised did not pertain to the criteria. If anything, he said their frustrations were furthered; whereas if they had gone to the Planning Department instead, they would have had all of their questions answered.

Mr. Montgomery said he wanted to make clear that staff's recommendation would not excuse or waive the right to have a public hearing. Changing the process would, he said, separate those applications that clearly had no neighborhood interest from those that did, and there would be a 14-day time period in which to request such a hearing, once notice had been received.

Mr. Pomeroy informed the Planning Commissioners that he had conversations with three individuals related to the two applications considered at this meeting, yet none of them had attended the meeting. He pointed out that everyone who gave testimony had likewise received notice but had not contacted staff ahead of the hearing. If they had done so, he said staff would have been able to answer their questions, address any issues unrelated to the criteria, or direct them to the appropriate department or individual that could.

Discussion ensued as regard the cost of applications, the existence of vacation rentals that had not gone through the application process, and code enforcement for those establishments.

Commissioner Hillestad said he saw a distinct difference between bed and breakfast and vacation rental establishments, primarily because a bed and breakfast owner lived on the premises. He stated that what had concerned him in the past about vacation rentals was that they were not really part of a neighborhood, and did not have anyone that neighbors could address with concerns. For that reason, he said he was not concerned about bed and breakfasts, but continued to be concerned about vacation rentals.

Chair Butler reminded Commissioner Hillestad that the criteria for vacation rentals required a local contact for the facility, and ultimately, an individual could contact the McMinnville Police Department if they had a complaint.

Mr. Montgomery stated that concerns expressed during this evening's hearing were with regard to potential crime, children's impacts, type of guests, traffic; yet there was no evidence to support those concerns. He told the commissioners that all of the concerns should have been rejected as the basis for any discussion, and pointed out that traffic associated with the use would likely amount to a single vehicle. The issues that were brought forth could be dealt with much more effectively across a counter or desk, which would be an advantage of processing the applications administratively, he said.

Vice Chair Stassens asked for a show of hands from those Commissioners who wanted to hold a public hearing to consider a change in the application process for vacation home rentals and bed and breakfast establishments to a "Director's Review with Notification." She announced that the majority of the Commissioners were in favor (Commissioners Hillestad and Tiedge were not in favor), and she directed staff to bring back an amendment and schedule a public hearing to consider it.

Mr. Montgomery noted it would likely be considered at the September meeting due to time constraints associated with advance notification to the State.

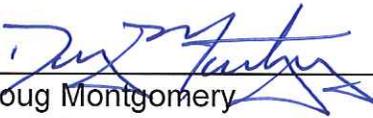
## 5. Old/New Business

Chair Butler thanked Vice Chair Stassens for chairing the meeting, and complimented her on her performance. Commissioner Drabkin echoed his sentiments.

Mr. Pomeroy advised the Commissioners that there would be a vacation home rental application for consideration at the August meeting.

## 6. Adjournment

Vice Chair Stassens adjourned the meeting at 7:51 p.m.

  
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Doug Montgomery  
Secretary