ORDINANCE NO. 5134

AN ORDINANCE AMENDING TITLE 17 (ZONING) OF THE MCMINNVILLE MUNICIPAL CODE AND THE NORTHEAST GATEWAY PLANNED DEVELOPMENT OVERLAY (ORDINANCE 4971) TO AMEND STANDARDS FOR SHORT-TERM RENTALS, APPROVING THE DECISION, FINDINGS, AND CONCLUSIONARY FINDINGS FOR DOCKET G 1-23, ENDING THE MORATORIUM ENACTED BY ORDINANCE NO. 5118 AND EXTENDED BY ORDINANCE NO. 5127, AND DECLARING AN EMERGENCY

RECITALS:

WHEREAS, Docket G 1-23 is a legislative action amending the standards for Short-Term Rentals in Title 17 (Zoning) of the McMinnville Municipal Code and the Northeast Gateway Planned Development Overlay (Ordinance 4971).

WHEREAS, following an extensive public process and a recommendation from a Project Advisory Committee, on March 12, 2019 the City Council adopted the MAC-Town 2032 Economic Development Strategic Plan. Goal 3 of the Plan is "Maintain and Enhance our High Quality of Life." Subsection 3.4.2 provides, "Ensure that regulations and City investments encourage city livability." Potential Tasks or Projects listed in support of Subsection 3.4.2 include, "Evaluate the adequacy of current policy regarding vacation and short-term rentals to balance the needs of neighborhood residents and visitors to McMinnville."

WHEREAS, on July 12, 2022, the City Council enacted a moratorium on the issuance of Short-Term Rental Permits through December 29, 2022, which became effective August 12, 2022 (Ordinance 5118).

WHEREAS, on November 22, 2022, the City Council extended the moratorium from December 29, 2022 to June 29, 2023 (Ordinance 5127) while the Planning Commission and Planning staff continued to re-evaluate the Zoning Ordinance as it pertains to permitting of Short-Term Rentals.

WHEREAS, the Planning Commission held work sessions on September 15, 2022, October 20, 2022, December 15, 2022, and January 19, 2023. The Planning Commission concluded this work with a draft proposal for amendments to the Zoning Ordinance regarding regulation and permitting of Short-Term Rentals.

WHEREAS, Docket G 1-23, a draft legislative proposal for amendments to the standards for Short-Term Rentals, was initiated on January 23, 2023 with notice of the proposed amendments and a March 16, 2023 Planning Commission public hearing submitted to DLCD.

WHEREAS, on February 24, 2023, notice of the proposed amendments and the March 16, 2023 Planning Commission public hearing was mailed to property owners in the R-1, R-2, R-3, R-4, R-5, and O-R zones as provided in ORS 227.186.

Ordinance No. 5134 (G 1-23) Effective Date: June 13, 2023 Page 1 of 17 WHEREAS, on March 7, 2023, notice of the application and the March 16, 2023 Planning Commission public hearing was published in the News Register in accordance with Section 17.72.120 of the Zoning Ordinance.

WHEREAS, on March 16, 2023, the Planning Commission held a duly noticed public hearing to consider the request. The Planning Commission recommended approval of the proposed amendments with revisions. The recommendation was to approve the January 19, 2023 draft with additional March 9, 2023 revisions. In addition, based on public testimony, the Planning Commission also recommended amendments to the Northeast Gateway Planned Development Overlay (Ordinance 4971) regarding the provisions regulating Short-Term Rentals applicable to properties with underlying residential zoning.

WHEREAS, on April 3, 2023, notice of the revised proposal and the May 23, 2203 City Council public hearing was submitted to DLCD.

WHEREAS, on April 14, 2023, additional notice of the revised proposal and the May 23, 2023 City Council public hearing was mailed to property owners of properties within the Northeast Gateway Overlay Zone with underlying residential zoning.

WHEREAS, on May 16, 2023, notice of the proposal and the May 23, 2023 City Council public hearing was published in the News Register in accordance with Section 17.72.120 of the Zoning Ordinance.

WHEREAS, the City Council received the Planning Commission recommendation and staff report, and has deliberated.

WHEREAS, the City Council, being fully informed about said request, found that the requested amendments attached as Exhibits A and B conform to the applicable criteria, including the Comprehensive Plan goals and policies, as well as the McMinnville Zoning Ordinance, based on the material submitted by the Planning Department and the findings of fact and conclusionary findings for approval in Exhibit C; and

WHEREAS, the City Council finds an emergency exists, whereby it is necessary for the new standards to go into effect before the moratorium expires, which is less than 30 days from the passage of this Ordinance. This Ordinance, as considered by the City Council on June 13, 2023 for second reading and vote, incorporates an emergency clause, also reflected in the title, and is effective upon passage. The ordinance does not differ substantially from its terms as it was filed prior to such reading.

NOW, THEREFORE, THE COMMON COUNCIL FOR THE CITY OF MCMINNVILLE ORDAINS AS FOLLOWS:

- 1. The McMinnville Zoning Ordinance is amended as provided in Exhibit A; and
- 2. The Northeast Gateway Planned Development Overlay (Ordinance 4971) is amended as provided in Exhibit B; and
- 3. The Council adopts the Decision, Findings, and Conclusionary Findings for Docket G 1-23 attached as Exhibit C; and

Ordinance No. 5134 (G 1-23) Effective Date: June 13, 2023

Page 2 of 17

- 4. The moratorium on issuance of permits for Short-Term Rentals enacted by Ordinance No. 5118 and extended by Ordinance No. 5127 is hereby ended on the effective date of this ordinance.
- 5. An emergency is hereby declared to exist. This Ordinance will take effect immediately upon passage.

Passed by the McMinnville City Council this 13th day of June 2023, by the following votes:

Ayes:	Geary, Menke, Drabkin_	
Navs:	Chenoweth Garvin	

MAYOR

Approved as to form;

Attest:

City Attorney

City Recorder

EXHIBITS:

- A. Amendments to McMinnville Zoning Ordinance (Title 17 of McMinnville Municipal Code)
- B. Amendments to Northeast Gateway Planned Development Overlay (Ordinance 4971)
- C. Decision, Findings, and Conclusionary Findings for Docket G 1-23

Ordinance No. 5134 (G 1-23) Effective Date: June 13, 2023

Page 3 of 17

McMinnville Zoning Ordinance Amendments for Short-Term Rentals New text is in *bold, italic, underline text*. Deleted text is in *strikethrough text*

Chapter 17.12.

R-1 SINGLE-FAMILY RESIDENTIAL ZONING

<u>17.12.010.</u> Permitted Uses. In an R-1 zone, the following uses and their accessory uses are permitted:

...

- P. Short term rental, subject to the provisions of Section 17.72.110 and the following standards:
 - 1. Short term rentals shall not be located within 200<u>500</u> feet of another short term rental, or on the same property as another short term rental.
 - 2. Short term rentals shall be allowed in single dwellings, common-wall single dwellings, and accessory dwelling units (ADUs). The structure shall retain the characteristics of a residence.
 - 3. That a minimum of one off-street parking space be provided for each-guest room bedroom in the dwelling in which the short-term rental is located as provided in Subsection 13. Required off-street parking shall be provided on the same property as the short-term rental, not on a different property through a parking agreement.
 - 4. That signage is limited to only one non-illuminated or incidentally illuminated wooden sign not exceeding three (3) square feet of face area.
 - 5. That the duration of each guest's stay at the residence be limited to no more than 30 (thirty) consecutive days. <u>The residence shall be subject to residential regulations when occupied or rented for more than 30 consecutive days.</u>
 - 6. That smoke detectors be provided as per the requirements for "lodging houses" in Ordinance No. 3997. *A CO2 alarm must also be installed.*
 - 7. That the property owner <u>or owner's appointed agent</u> shall live within the geographic area of the 97128 zip code or shall provide contact information of a person living within the geographic area of the 97128 zip code who <u>and</u> shall be available <u>24 hours a day, 7 days a week</u> to respond immediately to any emergency or complaint related to the short term rental. <u>Prior to commencing the use as a Short-Term Rental, the contact information for the property owner or owner's appointed agent shall be mailed to the property owners and street addresses of the adjacent properties, <u>Yamhill Communication Agency (YCOM)</u>, and the McMinnville <u>Community Development Department</u>. Any change in the contact information for the property owner or owner's appointed agent shall also be mailed to the adjacent property owners and street addresses,</u>

Ordinance No. 5134 (G 1-23) Effective Date: June 13, 2023

Page 4 of 17

- YCOM, and the Community Development Department prior to the change. The mailing shall include the address and the Short-Term Rental permit number assigned by the Planning Department.
- 8. Failure to immediately and appropriately respond to any emergency or complaint, when viewed from the perspective of a reasonable homeowner, may result in enforcement action and revocation of the permit.
- 9. Permits shall be issued to the current property owner at the time of application. Permits do not transfer with the sale or conveyance of the property. Upon any change in ownership, the short term rental permit for the subject property will become void. The use of the subject property as a short term rental by the new owner will again be subject to the application and review procedures in Section 17.72.110. The following situations are not deemed to be a change in ownership for the purposes of this section:
 - a. Transfer of property from a natural person(s) to a Trust serving the same natural person(s) or to a family member pursuant to a Trust; or
 - b. Transfer of ownership pursuant to a will or bequest upon the death of the owner.
- 10. All city and state taxes shall be remitted in a timely manner.
- 11. Prior to any advertising or operating the property for short-term rental use, the applicant shall register with the McMinnville Finance Department as a transient lodging provider. Local Transient Lodging Tax shall be collected and remitted to the City as provided in Chapter 5.10 of the McMinnville Municipal Code.
- 12. Any listing or advertisement for the Short-Term Rental Permit shall include the permit number assigned by the Planning Department.
- 13. Any offer for rent or operation of the dwelling for short-term rental use shall be limited to sleeping only in the bedrooms, except that a studio unit shall be subject to the same provisions as a 1-bedroom residence.

 Only a room with a built-in closet, window, and door shall be considered a bedroom.
- 14. In addition to any other remedies for enforcement, up to and including full cost recovery for enforcement action, any Short-Term Rental operating without a valid and current permit may be subject to a daily citation/penalty. Repeat violations may result in revocation of the permit and preclude the ability to apply for a new permit for 12 months from the date of written revocation of the permit.
- 15. Permits must be renewed annually. Failure to renew the short term rental permit annually will result in the permit becoming void, and the use of the subject property as a short term rental will again be subject to the application and review procedures in Section 17.72.110 in effect at the time of application.
- 16. Complaints on conditions 1 through <u>13</u>9 above will be reviewed by the Planning Commission at a public hearing. The Planning Commission will review complaints based on the criteria listed in Sections 17.74.030 and 17.74.040 of the zoning ordinance. If the short term rental is found to be in violation of the criteria, the Planning Commission may terminate the use. (Ord.

Ordinance No. 5134 (G 1-23) Effective Date: June 13, 2023

Page 5 of 17

- 5104 §2, 2021; Ord. 5047 §2, 2018; Ord. 5040 §2, 2017; Ord. 4988 §1, 2015; Ord. 4984 §1, 2014; Ord. 4952 §1, 2012; Ord. 4912 §3, 2009; Ord. 4796 §1€, 2003; Ord. 4564 §2, §3, 1994; Ord. 4534 §5(part), §7(part), 1993; Ord. 4499 §1, 1991; Ord. 4477 §1, 1990; Ord. 4128 (part), 1981; Ord. 3380 (part), 1968).
- 17. The provisions of this Section shall apply to new applications for Short-Term Rentals submitted on or after June 22, 2023. In addition, all provisions of this Section shall also apply to renewals, except that renewals of existing permits issued before June 22, 2023 made nonconforming relative to Subsections 1, 3, and 13 may continue to operate in accordance with the spacing standards, parking requirements, and authorized sleeping rooms in effect at the time the permit was approved.

...

[Note: The list of permitted uses for the other zoning districts in which Short-Term Rentals are a permitted use reference this section and these standards].

Chapter 17.60 OFF-STREET PARKING AND LOADING

...

17.60.060 Spaces. Number required.

Except for the southerly 100 feet of Block 10 and the northerly 100 feet of Block 11, Rowland's Addition and the area bounded by Second Street, Adams Street, Fourth Street, and Galloway Street, at the time of erection of a new structure or at the time of enlargement or change of use of an existing structure, off-street parking spaces shall be provided as follows unless greater requirements are otherwise established. Where square feet are specified, the area measured shall be the gross floor area primary to the functioning of the particular use of the property but shall exclude space devoted to off-street parking or unloading.

A. Residential land use category:

1. Bed and breakfast establishments

One space for the first two guest sleeping rooms and an additional space for each additional guest sleeping room.

Ordinance No. 5134 (G 1-23) Effective Date: June 13, 2023

Page 6 of 17

Fraternity, sorority, cooperative, or dormitory

One space per two sleeping accommodations.

3. Multiple dwelling

One and one-half spaces per dwelling with less than three bedrooms, two spaces per dwelling unit with three or more bedrooms, and one space per dwelling unit which is expressly reserved for senior or handicapped persons.

4. Single detached

Two spaces per dwelling with four or fewer bedrooms, and one additional space for every two additional bedrooms.

5. Short-Term Rental and Resident Occupied Short-Term Rental.

Short Term Rental = One space for each guest room <u>bedroom in the dwelling in which the short-term rental is located, as provided in Section 17.12.010(P)(13)</u>; Resident Occupied Short-Term Rental = one space per two permitted guest rooms.

...

Ordinance No. 5134 (G 1-23) Effective Date: June 13, 2023

Page 7 of 17

Ordinance 4971: NE Gateway Planned Development Overlay Amendments for Short-Term Rentals

New text is in **bold**, **italic**, **underline text**. Deleted text is in **strikethrough** text

•••

<u>Section 6 – Permitted and Conditionally Permitted Uses.</u>

Table 1

Use	Zone	Zone	Zone	
P - Permitted, C - Conditionally Permitted	1	2	3	
Residential				
Single-Family	P ³	P ⁴	P – Only in R-2/R-4 zones	
Social Relief Facility (up to 5 Individuals)	P	P	P	
Two-Family	P	P	P ⁵	
Multi-Family		P	P – Not permitted in R-2 zone	
Group Living				
Assisted Living Facility/Nursing Home	C	C	C – Not permitted in R-2 zone	
Social Relief Facility (six or more)	C	С	С	
Commercial				
Animal Grooming	P	P	P – Not permitted in Res zones	
Call Center/Centralized Office	P	P	P – Not permitted in Res zones	
Club/Lodge	C	C	C – Not permitted in Res zones	
Commercial Recreation Center	C	C	C – Not permitted in Res zones	
Conference Center	C	C	C – Not permitted in Res zones	
Daycare (up to 12 individuals)	P	P	P	
Daycare (more than 12 individuals)	C	C	С	
Financial Services	P	P	P – Not permitted in Res zones	
Food and Beverage Establishment (non-drive-through)	P	P	P – Not permitted in Res zones	
Laundry Services	P	P	P – Not permitted in Res zones	
Lodging: Bed and Breakfast/Vacation Home	P	P	P - C-P in Res zones, subject to	
Rental Short-Term Rental			STR standards of Res zone ⁷	
Lodging: Hotel/Motel	P	P	P – Not permitted in Res zones	
Office Medical/Professional	P	P	P – Not permitted in Res zones	
Parking Lot (non-accessory to existing use(P	P	P – Not permitted in Res zones	
Parking Lot (public)	P	P	P – Not permitted in Res zones	
Personal Services (including gym, spa, barber shop)	P	P	P – Not permitted in Res zones	
Resident-Occupied Short-Term Rental	<u>P</u> ³	<u>P</u> ⁴	P - P in Res zones, subject to	
Retail Sales (General) up to 25,000 square feet on	P	C	ROSTR standards of Res zone ⁸ C – Not permitted in Res zones	
ground floor – non-auto			*	
Repair/Service (non-auto)		P	P – Not permitted in Res zones	
Theater		P	P – Not permitted in Res zones	

Ordinance No. 5134 (G 1-23) Effective Date: June 13, 2023

Page 8 of 17

<u>Industrial</u> Food/Beverage Manufacturing Industry, Light ⁶	-	P P	-
Civic Church College/University Cultural Exhibit Center and Library Government Building School – Public or Private	C C P C	- C P C	C C C C
Mixed-Use Artist Live/Work Space Artist Live/Work Space with Retail Component Food/Beverage Manufacturing with a Retail Component Commercial/Residential with a Residential Component Above Light Industrial with a Residential Component Above Light Industrial with a Retail Component	P P P	P P P	P P – Not permitted in Res zones P – Not permitted in Res zones P – Not permitted in Res zones
Expansion of a Non-Conforming Use		-	-

³ Permitted as a mixed-use above first floor commercial

Ordinance No. 5134 (G 1-23) Effective Date: June 13, 2023

Page 9 of 17

⁴ Permitted as a mixed-use above first floor commercial

⁵ R-2 Standards in Chapter 17.15 apply to two-family in Zone 3

⁶ Manufacturing of goods carried out without detriment to the amenity of the area by reason of noise, vibration, smell, fumes, smoke, soot, ash, dust, or grit.

⁷ Short-Term Rentals are permitted in Residential zones subject to the standards for Short-Term Rentals that apply in the underlying residential zone, see Section 17.12.010(P) of the Zoning Ordinance.

⁸ Resident-Occupied Short-Term Rentals are permitted in Residential zones subject to the standards for Resident-Occupied Short-Term Rentals that apply in the underlying residential zone, see Section 17.12.010(0) of the Zoning Ordinance.

EXHIBIT C TO ORDINANCE NO. 5134



City of McMinnville
Community Development
231 NE Fifth Street
McMinnville, OR 97128
503-434-7311
www.mcminnvilleoregon.gov

DECISION, FINDINGS OF FACT AND CONCLUSIONARY FINDINGS FOR THE APPROVAL OF LEGISLATIVE AMENDMENTS TO THE MCMINNVILLE ZONING ORDINANCE AND THE NE GATEWAY PLANNED DEVELOPMENT OVERLAY (ORDINANCE 4971), DOCKET G 1-23, RELATING TO SHORT-TERM RENTALS

DOCKET:

G 1-23

REQUEST:

Proposed amendments to the McMinnville Zoning Ordinance and the NE Gateway Planned Development Overlay (Ordinance 4971), adopting amended standards for Short-Term Rentals.

Zoning Ordinance. The proposed amendment would amend the standards for Short-Term Rentals in the R-1, R-2, R-3, R-4, R-5, and O-R zones.

Short-Term Rentals are listed as a permitted use in these zoning districts, subject to the standards provided in Section 17.12.010(P) of the Zoning Ordinance. The proposed amendment would amend the standards in Section 17.12.010(P). The proposed amendment also amend the off-street parking provisions for Short-Term Rentals in Chapter 17.60 of the Zoning Ordinance to provide internal consistency with the amended standards.

NE Gateway Planned Development Overlay (Ordinance 4971). The proposal would also amend the provisions of the NE Gateway Overlay Zone (Ordinance 4971) as follows: For those properties in the NE Gateway Overlay Zone that have underlying residential zoning, the amendments would change the provisions for Short-Term Rentals to match those that apply to other residentially-zoned properties that aren't within the NE Gateway Overlay Zone.

This means that for properties with underlying residential zoning within the NE Gateway Overlay Zone (only present within Subarea 3), Short-Term Rentals would be listed as a permitted use subject to the same standards that apply to Short-Term Rentals in residential zones including spacing standards, rather than remaining listed as a Conditional Use subject to the Conditional Use Permit criteria.

LOCATION:

N/A. The proposal is a legislative text amendment.

ZONING:

N/A. The proposal is a legislative text amendment.

Ordinance No. 5134 (G 1-23) Effective Date: June 13, 2023

Page 10 of 17

APPLICANT: City of McMinnville

STAFF: Tom Schauer, Senior Planner

HEARINGS BODY: McMinnville Planning Commission

DATE & TIME: March 16, 2023, 6:30pm. Hybrid In-Person and Zoom Online Meeting:

In Person: Kent Taylor Civic Hall, 200 NE 2nd Street, McMinnville

Zoom Meeting:

https://mcminnvilleoregon.zoom.us/j/89368634307?pwd=M0REY3RVSzFH

eFdmK2pZUmJNdkdSZz09

Zoom Meeting ID: 893 6863 4307

Zoom Passcode: 989853

Or you can call in and listen via zoom: 1-253-215-8782

ID: 893 6863 4307

DECISION-MAKING

BODY: McMinnville City Council (Public Hearing)

DATE & TIME: May 23, 2023, 6:00pm. Hybrid In-Person and Zoom Online Meeting:

In Person: Kent Taylor Civic Hall, 200 NE 2nd Street, McMinnville

Zoom Meeting:

https://mcminnvilleoregon.zoom.us/j/87942133731?pwd=b2wxVk1ldUV2a3Jw

WnpHM2ppOVUwdz09

Zoom Meeting ID: 879 4213 3731 **Zoom Passcode:** 028563

Or join the ZOOM meeting by phone: +1 253 215 8782

Meeting ID: 879 4213 3731

PROCEDURE: The application is subject to the legislative land use procedures specified

in Sections 17.72.120 - 17.72.160 of the McMinnville Municipal Code.

CRITERIA: Amendments to the McMinnville Zoning Ordinance must be consistent with

the Goals and Policies in Volume II of the Comprehensive Plan and the

Purpose of the Zoning Ordinance.

APPEAL: The Planning Commission makes a recommendation to the City Council, and

the City Council makes the final decision. The City Council's decision on a legislative amendment may be appealed to the Oregon Land Use Board of Appeals (LUBA) within 21 days of the date written notice of the City Council's decision is mailed to parties who participated in the local proceedings and entitled to notice and as provided in ORS 197.620 and ORS

197.830, and Section 17.72.190 of the McMinnville Municipal Code.

Ordinance No. 5134 (G 1-23) Effective Date: June 13, 2023

Page 11 of 17

DECISION

Based on the findings and conclusionary findings, the City Council **APPROVES** the legislative amendments to the Zoning Ordinance and the NE Gateway Planned Development Overlay (Ordinance 4971), Docket G 1-23.

//////////////////////////////////////	///////////////////////////////////////	///////////////////////////////////////
//////////////////////////////////////	///////////////////////////////////////	///////////////////////////////////////
AN/2		
City Council:	Date:_	June 13, 2023
Remy Drabkin, Mayor		
Planning Commission:	Date:_	7/25/23
Sidonie WInfield, Chair of the McMinnville Planning Commission		
Planning Department: Heather Richards, Community Development Director	Date:_	A/14/23
W.		

I. APPLICATION SUMMARY

This application is a legislative proposal for proposed amendments to the McMinnville Zoning Ordinance and the NE Gateway Planned Development Overlay (Ordinance 4971), adopting amended standards for Short-Term Rentals.

Zoning Ordinance. The proposed amendment would amend the standards for Short-Term Rentals in the R-1, R-2, R-3, R-4, R-5, and O-R zones.

Short-Term Rentals are listed as a permitted use in these zoning districts, subject to the standards provided in Section 17.12.010(P) of the Zoning Ordinance. The proposed amendment would amend the standards in Section 17.12.010(P). The proposed amendment would also amend the off-street parking provisions for Short-Term Rentals in Chapter 17.60 of the Zoning Ordinance to provide internal consistency with the amended standards.

NE Gateway Planned Development Overlay (Ordinance 4971). The proposal would also amend the provisions of the NE Gateway Overlay Zone (Ordinance 4971) as follows: For those properties in the NE Gateway Overlay Zone that have underlying residential zoning, the amendments would change the provisions for Short-Term Rentals to match those that apply to other residentially-zoned properties that aren't within the NE Gateway Overlay Zone.

This means that for properties with underlying residential zoning within the NE Gateway Overlay Zone (only present within Subarea 3), Short-Term Rentals would be listed as a permitted use subject to the same standards that apply to Short-Term Rentals in residential zones including spacing standards, rather than remaining listed as a Conditional Use subject to the Conditional Use Permit criteria.

II. ATTACHMENTS

Attachment 1. Amendments (See Exhibits to Ordinance 5134)

III. FINDINGS OF FACT - GENERAL FINDINGS

- 1. On July 12, 2022, the McMinnville City Council enacted a moratorium on the issuance of Short-Term Rental Permits, which became effective August 12, 2022 (Ordinance 5118).
- 2. On November 22, 2022, the City Council adopted Ordinance 5127 extending the moratorium from December 29, 2022 to June 29, 2023 while the Planning Commission and Planning Department staff continue to re-evaluate the Zoning Ordinance as it pertains to permitting Short-Term Rentals.
- 3. This action was based primarily on the fact that several residential neighborhoods, especially those closer to the downtown area, were experiencing an increasing number of short terms rentals in their neighborhoods causing residents to become concerned about the quality of life, health, safety and community interaction within the neighborhoods.
- 4. The City Council citied the following concerns in the adoption of the moratorium:

Ordinance No. 5134 (G 1-23) Effective Date: June 13, 2023

Page 13 of 17

- McMinnville is experiencing severe constraints in housing land supply which is leading
 to a deficit in housing units being built in the community to meet housing demand.
 With a lack of supply and significant demand, housing prices have escalated
 exponentially in the past couple of years;
- At the same time, tourism has increased in McMinnville exponentially as well.
 Increased housing prices and increased demand for tourism lodging has led to a greater than normal demand on housing to be leveraged as short-term rentals;
- Residential neighborhoods are experiencing an increasing amount of short term rentals causing residents to become concerned about the quality of life, health, safety and community interaction within the neighborhoods;
- McMinnville's zoning ordinance currently has a spacing separation of 200' between short term rentals. This has proven to be too much density of short-term rentals in some neighborhoods. The City would like to evaluate the impacts of short-term rentals on residential neighborhoods during the moratorium and recommend solutions for moving forward.
- 5. Docket G 1-23 is a legislative package of City-initiated proposed zoning ordinance amendments related to short-term rentals. The proposed amendments address compatibility of short-term rentals in residential zones.

IV. FINDINGS OF FACT - PROCEDURAL FINDINGS

- 1. On January 23, 2023, notice of the application and the March 16, 2023 Planning Commission public hearing was provided to DLCD.
- 2. On February 24, 2023, notice of the proposed amendments and the March 16, 2023 Planning Commission public hearing was mailed to property owners in the R-1, R-2, R-3, R-4, R-5, and O-R zones as provided in ORS 227.186.
- 3. On March 7, 2023, notice of the application and the March 16, 2023 Planning Commission public hearing was published in the News Register in accordance with Section 17.72.120 of the Zoning Ordinance.
- 4. On March 16, 2023, the Planning Commission held a duly noticed public hearing to consider the request. The Planning Commission made a recommendation to City Council to adopt amended standards for Short-Term Rentals. The recommendation also included proposed amendments to the NE Gateway Planned Development Overlay (Ordinance 4971) for properties with underlying residential zoning.
- 5. On April 3, 2023, notice of the revised proposal and the May 23, 2203 City Council public hearing was submitted to DLCD.
- 6. On April 14, 2023, additional notice of the revised proposal and the May 23, 2023 City Council public hearing was mailed to property owners of properties within the Northeast Gateway Overlay Zone with underlying residential zoning.

Ordinance No. 5134 (G 1-23) Effective Date: June 13, 2023

Page 14 of 17

- 7. On May 16, 2023, notice of the proposal and the May 23, 2023 City Council public hearing was published in the News Register in accordance with Section 17.72.120 of the Zoning Ordinance.
- 8. On May 23, 2023, the City Council held a duly noticed public hearing. The first reading of Ordinance 5134 occurred on May 23, 2023. The second reading of Ordinance 5134 occurred on June 13, 2023.

V. CONCLUSIONARY FINDINGS:

The Conclusionary Findings are the findings regarding consistency with the applicable criteria for the application.

Zoning Ordinance

The Purpose Statement of the Zoning Ordinance serves as a criterion for Zoning Ordinance amendments:

17.03.020 Purpose. The purpose of the ordinance codified in Chapters 17.03 (General Provisions) through 17.74 (Review Criteria) of this title is to encourage appropriate and orderly physical development in the city through standards designed to protect residential, commercial, industrial, and civic areas from the intrusions of incompatible uses; to provide opportunities for establishments to concentrate for efficient operation in mutually beneficial relationship to each other and to shared services; to provide adequate open space, desired levels of population densities, workable relationships between land uses and the transportation system, adequate community facilities; and to provide assurance of opportunities for effective utilization of the land resources; and to promote in other ways public health, safety, convenience, and general welfare.

FINDING: SATISFIED. The proposal amends standards for short-term rentals in residential zones to address their compatibility in residential neighborhoods in terms of their concentration/intensity as well as appropriate use standards. The Planning Commission evaluated a variety of issues, including different spacing standards. The proposal reflects the balancing of the needs of neighborhood residents and visitors to McMinnville in a manner that addressed compatibility of short-term rentals in residential neighborhoods.

Comprehensive Plan

As described in the Comprehensive Plan, the Goals and Policies of the Comprehensive Plan serve as criteria for land use decisions. The following Goals and Policies from Volume II of the McMinnville Comprehensive Plan are applicable to this request:

CHAPTER VI. TRANSPORTATION SYSTEM

GOAL VI 1: TO ENCOURAGE DEVELOPMENT OF A TRANSPORTATION SYSTEM THAT PROVIDES FOR THE COORDINATED MOVEMENT OF PEOPLE AND FREIGHT IN A SAFE AND EFFICIENT MANNER

PARKING

Ordinance No. 5134 (G 1-23) Effective Date: June 13, 2023 Page 15 of 17 126.00 The City of McMinnville shall continue to require adequate off-street parking and loading facilities for future developments and land use changes.

FINDING: SATISFIED. The proposed amendments address provision of adequate off-street parking for short-term rentals in residential zones.

CHAPTER X. CITIZEN INVOLVEMENT AND PLAN AMENDMENT

GOAL X 1 TO PROVIDE OPPORTUNITIES FOR CITIZEN INVOLVEMENT IN THE LAND USE DECISION MAKING PROCESS ESTABLISHED BY THE CITY OF McMINNVILLE.

FINDING: SATISFIED. The proposal is consistent with this applicable Goal of Chapter X of the Comprehensive Plan.

The proposed amendments address action items in the *MAC-Town 2032 Economic Development Strategic Plan*.

The City Council adopted the *MAC-Town 2032 Economic Development Strategic Plan* by Resolution 2019-16 on March 12, 2019. The plan was developed with a Project Advisory Committee and extensive public process. The following are excerpted from the Plan:

Goal 3: Maintain and Enhance our High Quality of Life.

- 3.4. Invest in McMinnville's neighborhoods.
- 3.4.2 Ensure that regulations and City investments encourage livability.
- Potential Tasks or Projects: ...Evaluate the adequacy of current policy regarding vacation and short-term rentals to balance the needs of neighborhood residents and visitors to McMinnville.

The City Council adopted a moratorium to provide the opportunity to evaluate policies regarding short-term rentals to address balancing of the needs of neighborhood residents and visitors to McMinnville.

The Planning Commission held a series of work session in September 2022, October 2022, December 2022, and January 2023 to evaluate policies and consider best practices, including those of other communities. After evaluation of alternatives, in January 2023, the Planning Commission agreed on a draft proposal to initiate the public hearing process for public consideration. The Commission determined that the proposed amendments best balanced the needs of neighborhood residents and visitors to McMinnville, and that the proposed amendments should be considered through the public hearing process. At the March 16, 2023 public hearing, the Planning Commission made a recommendation that reflected the major elements in the January 2023 draft, additional revisions that arose related to litigation of a Short-Term Rental application, and revisions related to regulation of Short-Term Rentals for properties within the NE Gateway Planned Development Overlay with underlying residential zoning.

Ordinance No. 5134 (G 1-23) Effective Date: June 13, 2023

Page 16 of 17

Notice of the proposal and public hearing was provided to DLCD, published in the newspaper, and mailed to owners of property owners in the R-1, R-2, R-3, R-4, R-5, and O-R zones. Additional mailed notice of the Planning Commission recommendation and the City Council public hearing was mailed to owners of properties within the NE Gateway Planned Development Overlay with underlying residential zoning.

The public hearing process provides further opportunity for consideration of citizen involvement and input and associated deliberation.

Ordinance No. 5134 (G 1-23) Effective Date: June 13, 2023

Page 17 of 17