

City of McMinnville Planning Department

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# **EXHIBIT 1 - STAFF REPORT**

DATE:March 21, 2019TO:Planning CommissionFROM:Tom Schauer, Senior PlannerSUBJECT:Conditional Use Permit Application CU 1-19<br/>for Bed and Breakfast Establishment at 806 SE Davis Street

## **STRATEGIC PRIORITY & GOAL:**



# OBJECTIVE/S: Strategically plan for short and long-term growth and development that will create enduring value for the community

#### Report in Brief:

This proceeding is a quasi-judicial public hearing of the Planning Commission to consider an application for a Conditional Use Permit (CU 1-19) to operate a bed and breakfast establishment within an existing home at 806 SE Davis Street (Tax Lot 1100, Section 21CC, T. 4 S., R. 4 W., W.M.). The decision of the Planning Commission is the final decision, unless appealed to City Council. The hearing is conducted in accordance with quasi-judicial hearing procedures, and the application is subject to the 120-day processing timeline. The application was deemed complete on February 15, 2019.

#### Background:

#### Subject Property & Request

The subject property is located on SE Davis Street between SE Wilson Street and SE College Avenue, to the northeast of Linfield College. The subject property and surrounding properties are zoned R-4. Uses along this section of SE Davis Street are a mix of single-family detached housing, duplexes, and multi-family housing. The subject property is developed with an existing single-family dwelling. The home, the Latourette House, is designated and classified as a Significant Historic Landmark in the City's Historic Resources Inventory. No exterior alteration to the home is proposed, so the application doesn't require review by the Historic Landmarks Committee. Abutting properties are duplexes to the north and south, and single-family detached across SE Davis Street to the west. Properties abutting the rear property line to the east on Ford Street are condominium multi-family developments. *See vicinity map and zoning map below.* 

In January 2019, the property owner obtained approval for a resident-occupied short-term rental (ROSTR 5-18) in the existing home, which allows no more than two guest sleeping rooms for up to five guests. The applicant is requesting approval for up to four guest sleeping rooms within the existing home, which exceeds what can be authorized as a resident-occupied short-term rental. A Conditional Use Permit for a bed and breakfast establishment would authorize three or more guest sleeping rooms, for six or more guests. Therefore, the applicant is now seeking approval for a bed and breakfast establishment, which is a conditionally permitted use in the R-4 zone. The purpose of the application is to allow additional guest rooms. While short-term rentals are permitted in all residential zones, the R-4 zone is the only residential zone which authorizes bed and breakfast establishments.

By definition, a bed and breakfast is "designed and occupied as a residence." Once approved, a bed and breakfast runs with the land as long as the use is continuous and doesn't lapse for a period of more than one year. (A resident-occupied short-term rental is non-transferable to another owner, and the permit must be renewed annually). A bed and breakfast must continue to operate as proposed and comply with any conditions of approval. There are review and enforcement provisions that ensure ongoing compliance, and a procedure for revocation of a permit should there be non-compliance with the conditions of approval.

## Neighborhood Meeting

Before a Conditional Use Permit application can be submitted, an applicant must hold a neighborhood meeting as specified in Chapter 17.72 of the Zoning Ordinance. The applicant conducted the required neighborhood meeting in accordance with these requirements and submitted the necessary documentation of the neighborhood meeting with the application, including a list of attendees and meeting notes.

In addition to the applicant, one nearby resident residing at 1005 SE Davis Street attended the meeting. The meeting notes indicate concern was expressed about whether or not the property would remain owner-occupied. While there is no requirement that a bed and breakfast establishment be owner-occupied, by definition a bed and breakfast establishment is resident-occupied, so there must be an on-site resident, whether or not the resident is the property owner.

## **Discussion**

## Summary of Criteria & Issues

The application is subject to Conditional Use criteria in Section 17.74.030 of the Zoning Ordinance, which are intended to "weigh the appropriateness and desirability or the public convenience or necessity to be served against any adverse conditions that would result from authorizing the particular development at the proposed location." The Planning Commission may impose conditions it finds necessary "to avoid a detrimental environmental impact and to otherwise protect the best interest of the surrounding area or the community as a whole." The goals and policies in Volume II of the Comprehensive Plan are also independent approval criteria for all land use decisions.

The nature and scale of the proposal doesn't rise to the scale of impacting the community as a whole. The predominant issues with a conditional use of this scale usually relate to the interest of the surrounding area, often related to compatibility with nearby residential uses. Typical concerns associated with conditional uses in residential areas include compatibility with residential character, privacy, noise, parking, and traffic.

The property is located on SE Davis Street, which is classified as a minor collector in the Transportation System Plan (TSP), which provides a connection between downtown McMinnville and the Linfield College Campus. This site is well-located for a bed and breakfast establishment. The nearest vacation rental is located to the northwest at the corner of SE Davis Street and Wilson Street.

The applicant is proposing to use the existing home for the bed and breakfast establishment, keeping the exterior of the home the same. As such, there will be no changes to the physical size of the home, and the existing bedrooms will be used as guest rooms. The applicant is proposing signage consistent with the requirements for a bed and breakfast establishment. The residential character of the property will be

the requirements for a bed and breakfast establishment. The residential character of the property will be maintained. The lot and adjoining lots to the sides are larger lots, approximately 250 feet deep. The home on the subject property is closer to the front of the property than the duplexes on adjoining properties to the north and south, which provides some offset between structures, providing a configuration with some separation for privacy. There is a newly constructed fence along a portion of the north property line. The driveways of the adjoining lots run along the north and south sides of the subject property, also providing some separation. The lots also have significant tree canopy with large mature trees. The subject property is also screened from the west side of the street with large mature trees.

The applicant proposes the required number of off-street parking spaces, and notes that on-street parking won't be required. The proposed off-street parking includes one space within an existing garage, two "stacked" parking spaces behind that in the driveway along the south side of the house, and two perpendicular parking spaces to the front (west side) of the house. If guests are part of different parties, the stacked parking could potentially require one party to move a vehicle for another party to access a vehicle. There are no standards prohibiting stacked parking. There is also on-street parking available on SE Davis along the frontage of the property.

Overall, the increase from the current two sleeping units in the resident occupied short-term vacation rental to the proposed maximum of four guest rooms for the bed and breakfast establishment doesn't create detrimental environment impacts, and the best interest of the surrounding area and the community as a whole is protected.

## Public Comments

Notice of the proposed application was mailed to property owners and published in the newspaper. As of the date of this Staff Report, no public comments were received.

## Agency Comments

Notice of the proposed application was sent to affected agencies and departments. Agency comments were received from the Engineering Division, the Fire Marshall, and McMinnville Water & Light. Those comments are noted in the Decision Document and addressed as conditions when applicable.

## Fiscal Impact:

Not Applicable.

## Planning Commission Options (for Quasi-Judicial Hearing):

- APPROVE the application as proposed by the applicant with the conditions recommended in the attached Decision Document, <u>per the decision document provided</u> which includes the findings of fact.
- 2) **CONTINUE** the public hearing to a <u>specific date and time</u>.
- 3) Close the public hearing, but **KEEP THE RECORD OPEN** for the receipt of additional written testimony until a <u>specific date and time</u>.
- 4) Close the public hearing and **DENY** the application, <u>providing findings of fact</u> for the denial, specifying which criteria are not satisfied, or specifying how the applicant has failed to meet the burden of proof to demonstrate all criteria are satisfied, in the motion to deny.

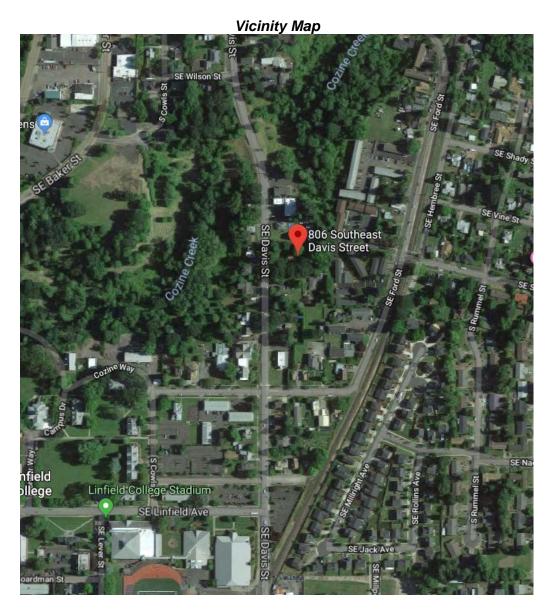
#### **Staff Recommendation:**

Staff has reviewed the proposal for consistency with the applicable criteria. Absent any new evidence to the contrary presented during the hearing, staff finds that, subject to the recommended conditions specified in the attached Decision Document, the application submitted by the applicant and the record contain sufficient evidence to find the applicable criteria are satisfied.

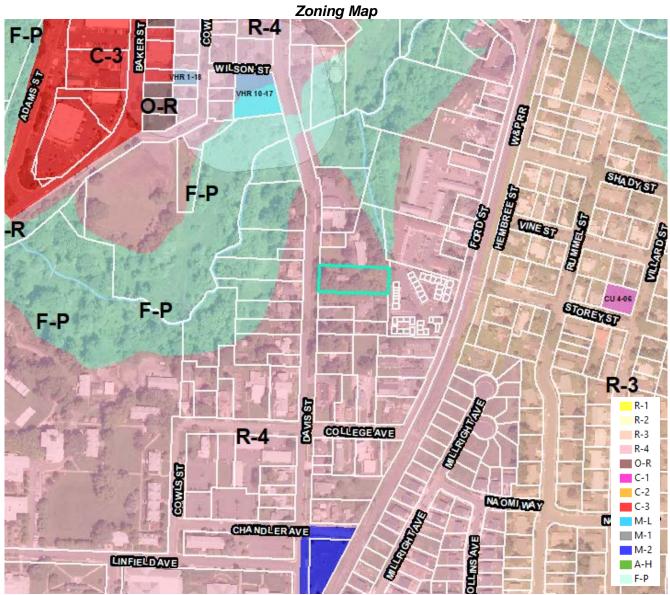
Staff **RECOMMENDS APPROVAL** of the application, subject to the conditions specified in the attached Decision Document.

#### Suggested Motion:

BASED ON THE FINDINGS OF FACT, THE CONCLUSIONARY FINDINGS FOR APPROVAL, THE MATERIALS SUBMITTED BY THE APPLICANT, AND EVIDENCE IN THE RECORD, I MOVE THAT THE PLANNING COMMISSION <u>APPROVE</u> THE DECISION DOCUMENT AND <u>APPROVE</u> CONDITIONAL USE PERMIT APPLICATION CU 1-19 SUBJECT TO THE CONDITIONS SPECIFIED IN THE DECISION DOCUMENT.







NOTE: Short-term rentals are also shown on this map.

- Short-Term Rentals
- 200-Foot Buffer from Short-Term Rentals
- Resident-Occupied Short-Term Rentals

## TS:sjs