

### Planning Commission Thursday, October 20, 2022 6:30 PM Regular Meeting

### **HYBRID Meeting**

### IN PERSON – McMinnville Civic Hall, 200 NE Second Street, or ZOOM Online Meeting

Please note that this is a hybrid meeting that you can join in person at 200 NE Second Street or online via Zoom

#### ZOOM Meeting: You may join online via the following link:

https://mcminnvilleoregon.zoom.us/j/82740511729?pwd=b1o2NXNrekpqWIRvbHREd29jZFc1UT09 Meeting ID: 827 4051 1729 Meeting Password: 324905

#### Or you can call in and listen via zoom: 1 253 215 8782 ID: 827 4051 1729

Public Participation:

Citizen Comments: If you wish to address the Planning Commission on any item not on the agenda, you may respond as the Planning Commission Chair calls for "Citizen Comments."

Public Hearing: To participate in the public hearings, please choose one of the following.

- 1) **Email in advance of the meeting** Email at any time up to 12 p.m. the day before the meeting to <u>heather.richards@mcminnvilleoregon.gov</u>, that email will be provided to the planning commissioners, lead planning staff and entered into the record at the meeting.
- 2) **By ZOOM at the meeting** Join the zoom meeting and send a chat directly to Planning Director, Heather Richards, to request to speak indicating which public hearing, and/or use the raise hand feature in zoom to request to speak once called upon by the Planning Commission chairperson. Once your turn is up, we will announce your name and unmute your mic.
- 3) **By telephone at the meeting** If appearing via telephone only please sign up prior to the meeting by emailing the Planning Director, <u>Heather.Richards@mcminnvilleoregon.gov</u> as the chat function is not available when calling in zoom.

----- MEETING AGENDA ON NEXT PAGE ------

The meeting site is accessible to handicapped individuals. Assistance with communications (visual, hearing) must be requested 24 hours in advance by contacting the City Manager (503) 434-7405 – 1-800-735-1232 for voice, or TDY 1-800-735-2900.

\*Please note that these documents are also on the City's website, <u>www.mcminnvilleoregon.gov</u>. You may also request a copy from the Planning Department. Page 1 of 29

Commission Members	Agenda Items							
Sidonie Winfield, Chair	6:30 PM – REGULAR MEETING 1. Call to Order							
Gary Langenwalter Vice - Chair <i>Vacant</i>	<ol> <li>2. Citizen Comments</li> <li>3. Minutes: August 18, 2022 – (Exhibit 1)</li> </ol>							
Matthew Deppe Sylla McClellan	Public Hearings <u>Quasi-Judicial Hearing: Comprehensive Plan Map Amendment (CPA</u> <u>2-20) and Zone Change, including Planned Development Overlay</u> <u>Designation (ZC 3-20)</u> – ( <i>Exhibit 2</i> )							
Brian Randall	(Continued from September 1, 2022 PC Meeting) Applicant has requested a continuance to January 19, 2023							
Beth Rankin Lori Schanche Dan Tucholsky	Request: Approval to amend the Comprehensive Plan Map from Industrial to Commercial, and an amendment to the Zoning Map from M-2 (General Industrial) to C-3 PD (General Commercial with a Planned Development Overlay), for approximately 37.7 acres of a 90.4-acre property.							
Ţ	The 37.7 acres includes 4.25 acres intended for right-of-way dedication for a future frontage road. The application also shows a portion of the area subject to the map amendment intended for a north-south extension of Cumulus Avenue and future east-west street connectivity.							
	The request is submitted per the Planned Development provisions in Section 17.51.010(B) of the Zoning Ordinance, which allows for a planned development overlay designation to be applied to property without a development plan; however, if approved, no development of any kind can occur on the portion of the property subject to the C-3 PD overlay until a final development plan has been submitted and approved in accordance with the Planned Development provisions of the Zoning Ordinance. This requires the application for the final development plan to be subject to the public hearing requirements again at such time as the final development plans are submitted.							
	Location: 3310 SE Three Mile Lane, more specifically described at Tax Lot 700, Section 26, T.4S., R 4 W., W.M.							
	Applicant: Kimco McMinnville LLC, c/o Michael Strahs							
	B. <u>Quasi-Judicial Hearing: Comprehensive Plan Map Amendment (CPA</u> <u>1-21) and Zone Change, including Planned Development Overlay</u> <u>Designation (ZC 2-21)</u> – ( <i>Exhibit 3</i> )							

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#### (Continued from September 1, 2022 PC Meeting)

Applicant has requested a continuance to January 19, 2023

Request: Approval to amend the Comprehensive Plan Map from Industrial to Commercial, and an amendment to the Zoning Map from M-2 (General Industrial) to C-3 PD (General Commercial with a Planned Development Overlay), for a property of approximately 8 acres.

> The request is submitted per the Planned Development provisions in Section 17.51.010(B) of the Zoning Ordinance, which allows for a planned development overlay designation to be applied to property without a development plan; however, if approved, no development of any kind can occur on the portion of the property subject to the C-3 PD overlay until a final development plan has been submitted and approved in accordance with the Planned Development provisions of the Zoning Ordinance. This requires the application for the final development plan to be subject to the public hearing requirements again at such time as the final development plans are submitted.

- Location: 3330 SE Three Mile Lane, more specifically described at Tax Lot 600, Section 26, T.4S., R 4 W., W.M.
- Applicant: Ken Sandblast, Westlake Consultants, Inc. Representing property owner 3330 TML, c/o Bryan Hays

#### C. <u>Quasi-Judicial Hearing: Comprehensive Plan Map Amendment (CPA</u> 2-21) and Zone Change, including Planned Development Overlay <u>Designation (ZC 3-21)</u> – (*Exhibit 4*)

(Continued from September 1, 2022 PC Meeting)

Applicant has requested a continuance to January 19, 2023

Request: Approval to amend the Comprehensive Plan Map from Industrial to Commercial, and an amendment to the Zoning Map from M-L (Limited Light Industrial) to C-3 PD (General Commercial with a Planned Development Overlay), for approximately 21.1 acres of an 89.9-acre property, plus an additional 1.5 acres of the 89.9-acre property proposed to be dedicated for right-of-way at the time of development.

> The request is submitted per the Planned Development provisions in Section 17.51.010(B) of the Zoning Ordinance, which allows for a planned development overlay designation to be applied to property without a development plan; however, if approved, no development of any kind can occur on the portion of the property subject to the C-3 PD overlay until a final development plan has been submitted and approved in accordance with the Planned Development provisions of the Zoning Ordinance. This requires the application for the final development plan to be subject to the public hearing

The meeting site is accessible to handicapped individuals. Assistance with communications (visual, hearing) must be requested 24 hours in advance by contacting the City Manager (503) 434-7405 – 1-800-735-1232 for voice, or TDY 1-800-735-2900.

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requirements again at such time as the final development plans are submitted.

- Location: Three Mile Lane and Cumulus Avenue, more specifically described at Tax Lot 100, Section 27, T.4S., R 4 W., W.M.
- Applicant: Ken Sandblast, Westlake Consultants, Inc. representing property owner DRS Land, LLC c/o Dan Bansen
- 5. Work Session
  - a. Short-Term Rentals (Exhibit 5)
- 6. Action Items
- 7. Commissioner/Committee Member Comments
- 8. Staff Comments
- 9. Adjournment

The meeting site is accessible to handicapped individuals. Assistance with communications (visual, hearing) must be requested 24 hours in advance by contacting the City Manager (503) 434-7405 – 1-800-735-1232 for voice, or TDY 1-800-735-2900.



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

# **EXHIBIT 1 - MINUTES**

August 18, 2022 Planning Commissio Regular Meeting	6:30 pm on Hybrid Meeting McMinnville, Oregon
Members Present:	Brian Randall, Beth Rankin, Sidonie Winfield, Sylla McClellan, Dan Tucholsky, Matt Deppe, Gary Langenwalter, and Lori Schanche
Members Absent:	
Staff Present:	Tom Schauer – Senior Planner and Adam Tate – Associate Planner

#### 1. Call to Order

Chair Winfield called the meeting to order at 6:30 p.m. She noted Commissioner Banagay had resigned from the Commission.

#### 2. Citizen Comments

None

#### 3. Minutes

None

#### 4. Public Hearing:

#### A. Quasi-Judicial Hearing: Variance (VR 1-22)

- Request: An application for variance to the setback standards of the R1 Zone in Chapter 17.12.030 of the McMinnville Zoning Ordinance in order to build a garage in their back yard for the storage of lawn equipment and vehicles.
- Location: 935 NW 19th Street, Tax Lot R4417DB 06600.
- Applicant: Mike and Kim Morris

Disclosures: Chair Winfield opened the public hearing and asked if there was any objection to the jurisdiction of the Commission to hear this matter. There was none. She asked if any Commissioner wished to make a disclosure or abstain from participating or voting on this application.

Commissioner Langenwalter said he was friends with Mr. Morris, but could still be objective.

Chair Winfield asked if any Commissioner needed to declare any contact prior to the hearing with the applicant or any party involved in the hearing or any other source of information outside of staff regarding the subject of this hearing.

Commissioners McClellan, Tucholsky, Rankin, and Schanche visited the site.

Staff Presentation: Associate Planner Tate presented the staff report. He described the subject site. The applicant was requesting a variance to the rear and side yard setbacks, changing the rear setback from 20 feet to 10 feet and the side setback from 10 feet to 3 feet. This was to add an accessory structure to the backyard to function as a garage. He showed the site plan and construction drawings. He then discussed the applicable review criteria. Two comments had been received from McMinnville Water & Light and the Engineering Department. No public testimony had been received. He reviewed the recommended conditions. Staff recommended approval with conditions.

Commission Questions: Commissioner Langenwalter clarified Condition #1, a building permit was required before any work began.

Commissioner Randall asked if there were other variances in the area. Associate Planner Tate did not know, but he thought it was likely.

Applicant's Testimony: Mike Morris, applicant, explained the need for more storage on the property and the options they had explored. He thought the variance would be more aesthetically pleasing for the neighbors. He had spoken to his neighbors about it, and they had no concerns. He explained how the garage would be a low structure with minimum impact.

Commissioner Rankin asked about drainage and the tree by the driveway. Mr. Morris explained the stormwater drainage which would remain the same, repaving of the driveway, and preserving the tree.

Commissioner Schanche asked about the elevations of the existing house and new garage. Mr. Morris explained the beginning finished floor elevation of the garage floor would be approximately the same height as the current finished floor elevation of the existing garage.

There was no public testimony.

Chair Winfield closed the public hearing.

The applicant waived the 7 day period for submitting final written arguments in support of the application.

Deliberation: Commissioner Deppe questioned whether this was a unique circumstance to grant the variance. He also wondered if there should be a code change to allow structures to be closer to the edges of property lines. Senior Planner Schauer said this was a land use application for a variance before them, not a code change. Different zones were trying to achieve certain things with the setbacks to allow different opportunities and environments. One of the requirements for a variance was to make findings that there was something unique about the property. There were provisions for encroachment for accessory structures, but the size and shape of the lot did not work for what was typically allowed on other properties. The standard setbacks for R-1 were 20 feet for the front and back, and 10 feet for the sides.

Chair Winfield thought this was a unique situation and met the criteria.

Commissioner Langenwalter said they did not get variance requests very often.

Commissioner Deppe asked about the cost of the variance application. Associate Planner Tate explained the cost.

Commissioner Tucholsky thought the cost was high.

Based on the findings of fact, conclusionary findings for approval, materials submitted by the applicant, and evidence in the record, Commissioner McClellan MOVED to RECOMMEND the City Council APPROVE VR 1-22 subject to the conditions of approval; SECONDED by Commissioner Langenwalter. The motion PASSED 6-2 with Commissioners Randall and Deppe opposed.

#### B. Quasi-Judicial Hearing: Planning Development (PD 1-22) and Subdivision Tentative Plan (S 1-22)

- Request: An application for a Planned Development (PD 1-22) to redesignate the property from R-to R-3 PD (R-3 with a Planned Development Overlay) including requested modifications to certain lot layout and development standards, and an application for a Subdivision Tentative Plan (S 1-22) to allow a 16-lot subdivision for a property of approximately 2.93 acres.
- Location: NE Newby Street (south of NE Buell Dr. and west of NE Hoffman Dr.), Tax Lot R4409DC 01100

Applicant: Monika Development LLC c/o Lori Zumwalt

This application had been withdrawn by the applicant.

#### 5. Action Items

None

#### 6. Commissioner Comments

Commissioner Deppe discussed parking enforcement downtown.

Chair Winfield said OPB was doing a series of podcasts on Oregon's land use laws.

Commissioner Schanche attended a tour of area parks.

#### 7. Staff Comments

Senior Planner Schauer discussed upcoming meetings and how the fees were determined for cost recovery.

#### 8. Adjournment

Chair Winfield adjourned the meeting at 7:20 p.m.



# **EXHIBIT 2 - STAFF REPORT**

DATE: October 20, 2022

TO: Planning Commission Members

FROM: Tom Schauer, Senior Planner

SUBJECT: Public Hearing (Docket CPA 2-20/ZC 3-20) – Kimco Map Amendment, Request for Continuance

#### STRATEGIC PRIORITY & GOAL:



**GROWTH & DEVELOPMENT CHARACTER** 

Guide growth & development strategically, responsively & responsibly to enhance our unique character.

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

#### Report in Brief:

This agenda item is the Comprehensive Plan Map Amendment and Zone Change with a Planned Development Overlay (CPA 2-20/ZC 3-20) for the property owned by Kimco McMinnville LLC located at 3310 SE Three Mile Lane. The applicant has requested a continuance to the January 19, 2023 Planning Commission meeting. Staff concurs with the requested continuance.

#### **Background and Discussion:**

On July 14, 2021, Kimco requested a continuance to the September 16, 2021 Planning Commission hearing so they could continue to collaborate with their neighbors on coordinated applications for comprehensive plan/zoning map amendments. The continuance was approved by the Planning Commission. On September 7, Kimco requested an additional continuance to October 21, 2021, also approved by the Planning Commission. Kimco has met with and coordinated with the adjacent property owners of the properties to the east and west. The owners have been coordinating on proposed map amendments. On October 8, 2021, Kimco requested an additional continuance to November 18, 2021 to continue with this coordination effort. As noted in the email, "The three property owners are working toward having their applications considered concurrently at the November 18 meeting." The hearing was reopened on December 16, 2021, and the Planning Commission then continued the hearing to January 20, 2022. Additional continuances were requested to February 17, 2022, March 17, 2022, April 21, 2022, June 2, 2022, September 1, 2022, and October 20, 2022.

The applications for the two adjoining properties were submitted on November 18, 2021 and deemed complete on December 16, 2021. Traffic Impact Analyses (TIAs) were submitted with those two applications, with the TIAs prepared by the same consultant for the three property owners.

The initial hearings for the applications for the two adjoining properties were also scheduled for the February 17, 2022 Planning Commission meeting and continued to March 17, 2022, April 21, 2022, June 2, 2022, September 1, 2022, and October 20, 2022. The applicants for those properties have also requested continuances to the January 19, 2023 meeting.

Staff is supportive of the coordination efforts occurring with the property owners. As part of the work on the Three Mile Lane Area Plan (3MLAP), the City also previously sponsored a charette for joint conceptual planning involving these properties.

Staff supports the continued efforts of the property owners to coordinate regarding their properties. The continuance will provide further opportunity for coordinated review.

City Council is also scheduled to deliberate on a revised draft 3MLAP on November 8.

#### Attachments:

N/A

#### Recommendation:

Staff recommends that the Planning Commission continue the public hearing to the January 19, 2023 Planning Commission meeting.

"I MOVE THAT THE PLANNING COMMISSION CONTINUE THE PUBLIC HEARING FOR DOCKET CPA 2-20/ZC 3-20 TO THE JANUARY 19, 2023 PLANNING COMMISSION MEETING."



# **EXHIBIT 3 - STAFF REPORT**

DATE: October 20, 2022

TO: Planning Commission Members

FROM: Tom Schauer, Senior Planner

SUBJECT: Public Hearing (Docket CPA 1-21/ZC 2-21) – 3330 TML LLC Map Amendment, Request for Continuance

#### 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 agenda item is the Comprehensive Plan Map Amendment and Zone Change with a Planned Development Overlay (CPA 1-21/ZC 2-21) for the property owned by 3330 TML LLC located at 3330 SE Three Mile Lane. The applicant has requested a continuance to the January 19, 2023 Planning Commission meeting. Staff concurs with the requested continuance.

#### **Background and Discussion:**

This is one of three adjacent properties that have requested map amendments.

Kimco previously submitted an application and has continued hearings to provide for coordination with the two adjacent properties. Kimco has requested a continuance to January 19, 2023.

This is one of two additional applications submitted on November 18, 2021 and deemed complete on December 16, 2021. Traffic Impact Analyses (TIAs) were submitted with those two applications, with the TIAs prepared by the same consultant for the three property owners. The initial hearings for this application and the other application submitted on November 18, 2021 were scheduled for the February 17, 2022 Planning Commission meeting. The hearings were previously continued to March 17, 2022, April 21, 2022, June 2, 2022, September 1, 2022, and October 20, 2022. The other applicant has also requested a continuance to January 19, 2023.

Staff is supportive of the coordination efforts occurring with the property owners. As part of the work on the Three Mile Lane Area Plan (3MLAP), the City also previously sponsored a charette for joint conceptual planning involving these properties.

Staff supports the continued efforts of the property owners to coordinate regarding their properties. The continuance will provide further opportunity for coordinated review.

City Council is also scheduled to deliberate on a revised draft 3MLAP on November 8.

#### Attachments:

N/A

#### **Recommendation:**

Staff recommends that the Planning Commission continue the public hearing to the January 19, 2023 Planning Commission meeting.

"I MOVE THAT THE PLANNING COMMISSION CONTINUE THE PUBLIC HEARING FOR DOCKET CPA 1-21/ZC 2-21 TO THE JANUARY 19, 2023 PLANNING COMMISSION MEETING."



# **EXHIBIT 4 - STAFF REPORT**

DATE: October 20, 2022

TO: Planning Commission Members

FROM: Tom Schauer, Senior Planner

SUBJECT: Public Hearing (Docket CPA 2-21/ZC 3-21) – DRS Land, LLC Map Amendment, Request for Continuance

#### 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 agenda item is the Comprehensive Plan Map Amendment and Zone Change with a Planned Development Overlay (CPA 2-21/ZC 3-21) for the property owned by DRS Land, LLC located near Cumulus Avenue and SE three Mile Lane. The applicant has requested a continuance to the January 19, 2023 Planning Commission meeting.

#### **Background and Discussion:**

This is one of three adjacent properties that have requested map amendments.

Kimco previously submitted an application and has continued hearings to provide for coordination with the two adjacent properties. Kimco has requested a continuance to January 19, 2023.

This is one of two additional applications submitted on November 18, 2021 and deemed complete on December 16, 2021. Traffic Impact Analyses (TIAs) were submitted with those two applications, with the TIAs prepared by the same consultant for the three property owners. The initial hearings for this application and the other application submitted on November 18, 2021 were scheduled for the February 17, 2022 Planning Commission meeting. The hearings were previously continued to March 17, 2022, April 21, 2022, June 2, 2022, September 1, 2022, and October 20, 2022. The other applicant has also requested a continuance to January 19, 2023.

Staff is supportive of the coordination efforts occurring with the property owners. As part of the work on the Three Mile Lane Area Plan (3MLAP), the City also previously sponsored a charette for joint conceptual planning involving these properties.

Staff supports the continued efforts of the property owners to coordinate regarding their properties. The continuance will provide further opportunity for coordinated review.

City Council is also scheduled to deliberate on a revised draft 3MLAP on November 8.

#### Attachments:

N/A

#### **Recommendation:**

Staff recommends that the Planning Commission continue the public hearing to the January 19, 2023 Planning Commission meeting.

"I MOVE THAT THE PLANNING COMMISSION CONTINUE THE PUBLIC HEARING FOR DOCKET CPA 2-21/ZC 3-21 TO THE JANUARY 19, 2023 PLANNING COMMISSION MEETING."



# **EXHIBIT 5 - STAFF REPORT**

DATE:	October 20, 2022
TO:	Planning Commission Members
FROM:	Heather Richards, Community Development Director
SUBJECT:	Short-Term Rentals – McMinnville Municipal Code

#### STRATEGIC PRIORITY & GOAL:

HOUSING OPPORTUNITIES (ACROSS THE INCOME SPECTRUM) Create diverse housing opportunities that support great neighborhoods.

#### Report in Brief:

This agenda item is a work session to continue discussion of the McMinnville Municipal Code relative to short-term rentals.

#### Background:

The McMinnville City Council has enacted a moratorium on short term rental permits from September 1, 2022 to December 29, 2022 while the Planning Commission and Planning Department staff re-evaluate the McMinnville Municipal Code as it pertains to permitting Short-Term Rentals. (Please see attached Ordinance No. 5118, Short Term Rental Moratorium Ordinance). This action was based primarily on the fact that several residential neighborhoods, especially those closer to the downtown area, are 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.

#### *Current Code Provisions:*

Lodging is represented in many forms in McMinnville. In commercial zones (C1, C2 and C3), lodging is an allowed outright use and does not need any permits. Any rooms rented for short-term stays (30 days or less) are considered lodging.

In McMinnville's residential zones (R1, R2, R3, R4 and OR) lodging is allowed in the form of Short-Term Rentals and Resident Occupied Short-Term Rentals. Both Short-Term Rentals and Resident Occupied Short-Term Rentals are only allowed with a Type 2 permit. Type 2 permits are permits based on clear and objective standards and reviewed by planning staff but with notification to surrounding property owners. Please see attached Resident-Occupied Short Term Rental code provisions and Short Term Rental code provisions. The primary difference between the criteria for Resident-Occupied Short Term Rental permit criteria and Short Term Rental permit criteria is the 200 foot spacing standard (property line to property line) that is a provision for Short Term Rentals, the requirement for a neighborhood meeting for a Short Term Rental, and the requirement for one off-street parking space per bedroom for Short Term Rentals versus one off-street parking space per guest bedroom of a Resident-Occupied Short Term Rental.

When the McMinnville Planning Commission last evaluated and amended the McMinnville Municipal Code relative to Short Term Rentals in 2018, they wanted to make it easier to permit Resident-Occupied Short Term Rentals and encourage them in commercial zones rather than residential zones.

#### History of Dialogue:

Short Term Rental permits have been an active dialogue in McMinnville for many years.

- In 2008, the City approved Ordinance No. 4902, adopting regulations that allowed vacation home rentals in residential zones and the office-residential zone as conditional use permits. At this time the permit was permanent and a 660-foot buffer from other vacation home rentals was required.
- In 2012, the City removed the spacing buffer between vacation home rentals largely because the Planning Department had not received any complaints about vacation home rentals in the four years since they were initially allowed.
- In 2014, the City amended the code to transfer the approval of vacation home rentals from the Planning Commission to the Planning Director. At this time they became a Type I permit and not a conditional use permit.
- In 2017, a neighborhood approached the Planning Commission about reconsidering the vacation home rental codes as their neighborhood, which was a historic neighborhood in close proximity to the downtown had seen many homes converted to vacation home rentals recently. The Planning Commission hosted four work sessions and a public hearing and made a recommendation to differentiate between Short Term Rentals where the whole home was rented out as lodging and Resident Occupied Short Term Rentals where the occupant of the home rented out a room as lodging. They also recommended reinstituting the 200-foot spacing buffer between Short Term Rentals. This recommendation was adopted by Ordinance No. 5047 on April 10, 2018, and became effective on May 10, 2018.

#### McMinnville Data for Short Term Rentals:

Below is the data for permitted Short Term Rentals in McMinnville, meaning only those within the residential zones (R1, R2, R3, R4, OR). Short Term Rentals are only allowed in single-dwelling units, common wall single dwelling units (Townhomes) and accessory dwelling units (ADUs). Only one short term rental is allowed per property (ie either ADU or primary dwelling unit) and the spacing standard applies to the property (ie if an ADU or a primary dwelling unit is a permitted short term rental, another short term rental would not be permitted within 200 feet of that property (property line to property line).

Currently, there are 68 permitted short-term rentals in residential zones in McMinnville and 29 permitted Resident Occupied Short Term Rentals. For perspective, there are approximately 13,000 housing units in McMinnville (including multi-family and housing in commercial zones). However, most of the Short-Term Rental permits are still in the neighborhoods closest to the downtown (please see attached map), and in the past nine months sixteen Short Term Rental permits have been issued, compared to an average of five new permits per year previously. There are three additional pending Short Term Rental permit applications as of September 9, 2022 (all submitted prior to the August 2 deadline).

#### Discussion:

At the meeting on September 15, 2022, Commissioner Sylla McClellan and Chair Sidonie Winfield led the Planning Commission through the research that they had conducted, the issues that they had identified and the opportunities for code revisions that they saw practiced in other communities.

With that discussion, the Planning Commission focused on the following proposals for their discussion:

#### **RECOMMENDATIONS CONSIDERED:**

Below are the recommendations from Commissioner McClellan and Commissioner Winfield for that the Planning Commission considered, followed by notes regarding the outcome of the discussion at the September 15 meeting:

#### STR guidelines proposal for discussion.

 STR is defined as a dwelling unit and one permit will be issued per property (tax lot? Not sure how to define this?). If an ADU is on the property and the permit is issued for the ADU, the home cannot be listed as an STR. (Staff note: this provision is in the current code.)

#### Commission Discussion: Keep it in the code

 An inspection of the permitted property is required. This inspection would be performed by code enforcement. Standards would be the same that are currently required for a long-term rental unit. (Staff note: the City has adopted the International Property Maintenance Code that establishes a minimum standard of habitability for dwelling units.)

*Commission Discussion: Ongoing. Concerns about workload, but could establish a full cost recovery fee for the inspection.* 

3. A local person (or property manager's) contact information must be provided. *(Staff note: this provision is in the current code.)* 

*Commission Discussion: Keep this in the code but add a provision that the contact information is handed out to adjacent properties.* 

4. All city and state taxes must be remitted in a timely manner.

#### Commission Discussion: Add to the code.

5. Permitted properties cannot be within 600 feet of one another.

*Commission Discussion: On-going. The commission wanted to discuss this further, directing staff to provide updates similar to the ones provided in 2018 that illustrated what a 200, 400, and 600 spacing standard would look like in one of the neighborhoods close to downtown.* 

6. There is a limit to how many properties can be permitted (this limit could be defined by an actual number or a percentage of residences within the city limits).

*Commission Discussion: Ongoing. The commission wanted to discuss this further.* 

- Existing permits would not pass-through to new owners should the property change ownership. (Staff note: this provision is in the current code.)
- 8. Establish a moratorium so these rules cannot be changed for five years.
- 9. These same rules would apply to STRs in commercial zones (not sure about this?)

Commission Discussion: On-going. The commission wanted to discuss this further.

10. Operations without current permits will receive a warning letter and then be fined. *(Staff note: currently they are shut down and need to get a permit prior to resuming operations)* 

*Commission Discussion: On-going. The commission wanted to discuss whether a financial penalty should be incurred – ie a citation.* 

11. STR guidelines will be easier to find on the city's website.

#### Other ideas to consider:

- 1. The permit number is required to be part of the listing (AirBnB, VRBO, <u>booking.com</u>, etc) for the STR.
- 2. A sign with the permit number is to be displayed near the front door.
- 3. Commercial zoning STRs set a maximum number of rooms. If over this number, the property becomes a B & B or falls under the codes for lodging.

Commission Discussion: On-going. The commission wanted to discuss this further.

4. Commercial zoning space limits apply? Is the permit for the property or per dwelling unit?

*Commission Discussion: On-going. The commission wanted to discuss this further* 

#### Attachments:

The September 15, 2022 Staff Report included the following attachments:

- Attachment A: Current Short Term Rental Code
- Attachment B: Current Resident-Occupied Short Term Rental Code
- Attachment C: Other Code Provisions That Impact Short-Term Rentals
- Attachment D: Map of Short Term Rentals in McMinnville (September 9, 2022)
- Attachment E: Comparison of 11 Other Communities (2018)
- Attachment F: Short Term Rental Moratorium Ordinance
- Attachment G: Public Testimony Received for Short Term Rental Moratorium Ordinance
- Attachment H: Public Testimony Received from Affordable Housing Committee

The Planning Commission asked staff to provide the following additional information, which is attached, to assist with the October 20, 2022 discussion.

- Attachment I: Comparison chart of short-term rental fees with 11 other communities
- Attachment J: Maps showing spacing standard of 200', 400', and 600' for neighborhood northwest of downtown, with updated Short Term Rental permit data

### **ATTACHMENT I**

COMPARISON OF ELEVEN OTHER OREGON CITIES												
	<u>McMinnville</u>	Ashland	Bend	Depoe Bay	Hood River	Joseph	Eugene	Lincoln City	Manzanita	Rockaway Beach	Seaside	Sisters
STR Permit Fee	\$1,230.00	\$1,120.25	\$2,045.00	Business License Fee - \$34.50	\$84.00	No Fee - but 3% tax on all receipts to the city	No Fee	\$350.00	\$250.00	\$250.00	\$430.00 to \$670.00 dependent on spacial distribution	Business License \$105 Operating License \$100 per unit
Resident Occupied STR Permit Fee	\$1,230.00	\$1,120.25	\$735	Business License Fee - \$34.50	\$84.00	No Fee - but 3% tax on all receipts to the city	No Fee	\$350.00	\$250.00	\$250.00	\$430.00 to \$670.00 dependent on spacial distribution	Business License \$105 Operating License \$100 per unit
Annual Renewal Fee	\$205.00	No Fee	\$205.00	\$80.50 to \$138.00 depentent on number of units	\$168.00	No Fee	No Fee	\$125.00	\$250.00	\$250.00	\$475.00 to \$550.00 dependent on amount of occupants	Business License \$105 Operating License \$100 per unit
Additional Fees			Operating License Application Fee - \$280		Required Inspection Fee - \$252				Periodic Re- inspection Fee - \$150			

\*\*currently

have

moratorium

to reevaluate

## Northwest of Downtown – 100' Buffer (Overlapping Buffers Are < 200' Spacing Standard)



## Northwest of Downtown – 100' Buffer (Overlapping Buffers Are < 200' Spacing Standard)



### Northwest of Downtown – 200' Buffer (Overlapping Buffers Are < 400' Spacing Standard)



## Northwest of Downtown – 200' Buffer (Overlapping Buffers Are < 400' Spacing Standard)



## Northwest of Downtown – 300' Buffer (Overlapping Buffers Are < 600' Spacing Standard)



## Northwest of Downtown – 300' Buffer (Overlapping Buffers Are < 600' Spacing Standard)



## Northwest of Downtown – 400' Buffer (Overlapping Buffers Are < 800' Spacing Standard)



## Northwest of Downtown – 400' Buffer (Overlapping Buffers Are < 800' Spacing Standard)



## Northwest of Downtown – 600' Buffer (Overlapping Buffers Are < 1,200' Spacing Standard)



## Northwest of Downtown – 600' Buffer (Overlapping Buffers Are < 1,200' Spacing Standard)

