

City of McMinnville
Planning Department
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# **MINUTES**

December 21, 2017 Planning Commission Work Session Meeting 5:30 pm McMinnville Civic Hall, 200 NE 2<sup>nd</sup> Street McMinnville, Oregon

**Members Present:** 

Chair Roger Hall, Vice-Chair Zack Geary, Commissioners: Susan Dirks,

Lori Schanche, and Erica Thomas

**Members Absent:** 

Martin Chroust-Masin, Erin Butler, Gary Langenwalter, and Roger Lizut

**Staff Present:** 

David Koch - City Attorney, Chuck Darnell - Associate Planner,

and Heather Richards - Planning Director

## 1. Call to Order

Chair Hall called the meeting to order at 5:30 pm.

#### 2. Discussion Items:

## Vacation Home Rentals

Associate Planner Darnell said the Commission had discussed vacation home rentals previously and requested additional information be brought back. Vacation home rentals had been allowed in the City since 2008. They were allowed as conditional uses with a minimum 660 foot buffer between each other. In 2012 the Council removed the buffer requirement and lowered the application type to a Planning Director decision and they were no longer a conditional use. He explained the current standards, which did not have much subjectivity. Comments had been received expressing concerns regarding the impact of vacation rentals in residential zones. Staff had reviewed the inventory, and currently there were 35 permitted vacation rentals, which equated to 0.6% of the housing stock. Staff was looking to see if there were more that were operating without a permit. There was discussion regarding fines and regulations for rentals operating without a permit and staff was looking into a code enforcement process. Staff had looked at how other cities regulated vacation home rentals. Only one community had spacing standards for vacation home rentals, which was a minimum of 250 feet between rentals only in residential zones. There were some other cities that had a different process where the number of vacation rentals in the City was capped at a certain percentage of the housing stock. Another method excluded the rentals from certain zones. He asked if there were impacts that needed to be addressed and if other methods should be used in McMinnville. Historically they had regulated the occupancy of vacation rentals by a family rate, which was related individuals or no more than 5 unrelated individuals. Other cities limited it based on the number of bedrooms. Another thing to consider was the type of residential dwelling units that could be allowed for rentals. In the past they had only allowed single family homes to be vacation rentals. Other cities allowed them in different types of residences.

Commissioner Dirks was not sure that there was a problem. The public comments had been from a group of people from one neighborhood and one person from another neighborhood. She did not think this was a City-wide issue. Vacation rentals were good for the tourist industry, especially since there was a lack of hotels in the City. She thought it made sense to maintain the regulations as they were now with a few minor changes. Those changes included a neighborhood meeting before a vacation rental was approved, a spacing requirement of one per block, they should only be allowed within a certain number of feet from arterials and collectors so they would be closer to the main roads, the fees should be increased, and there should be one parking space per bedroom. Anything existing now would be grandfathered in.

Commissioner Schanche liked the idea on the spacing of one per block as long as they defined what a block was. She did not think it was a good idea to remove the spacing requirement back in 2012.

Commissioner Thomas suggested mapping out the different zones of the City and allowing a certain percentage of vacation rentals in the different zones. There should be a cap in certain areas.

There was discussion regarding bed & breakfasts versus vacation home rentals, other cities who did not allow vacation home rentals, grandfathering current vacation home rentals, possibly creating exclusionary zones, and creating regulations that could be enforced.

Commissioner Geary was in favor of a large radius spacing requirement, something like 1,000 to 1,500 feet.

Associate Planner Darnell said staff could bring back different options based on McMinnville's built environment. There was consensus for staff to bring back options.

City Attorney Koch clarified those that were operating without permits would not be able to be grandfathered because they were not operating legally when the regulations were changed.

Commissioner Geary thought the fines and penalties needed to be stiffer and application and renewal fees needed to be increased.

Associate Planner Darnell said staff could research that further and bring back recommendations.

Commissioner Geary also thought the property owner should live in McMinnville and people should have a limit of one vacation home rental only.

Commissioner Schanche did not think the property owner had to live in the City.

City Attorney Koch explained the current citation level fines. Planning Director Richards said staff would review the fines and make a recommendation.

Commissioner Dirks did not want to discourage vacation home rentals to such an extent that there were none in the City. There were not very many in the City and it could be revisited if there started to be too many. Planning Director Richards pointed out that vacation home rentals also served as short term housing for people looking for housing as there was an apartment supply issue.

Planning Director Richards clarified staff would be bringing back information on spacing standards, enforcement, and fee structures. Commissioner Geary asked staff to look at limits on individuals having multiple listings.

# 3. Adjournment

Chair Hall adjourned the meeting at 6:20 pm.

Heather Richards

Secretary