

SHORT-TERM RENTAL AD HOC COMMITTEE

Thursday, February 1, 2024,

Beginning at 3:00 PM

Hybrid Meeting

In Person: Newberg Public Safety Building

401 E Third Street, Denise Bacon Community Room

Via Zoom: <https://us06web.zoom.us/j/89452480355>

Or One tap mobile: +13462487799,89452480355# US (Houston)

Or Telephone: +1 360 209 5623 US

Webinar ID: 894 5248 0355

- I. CALL MEETING TO ORDER**
- II. ROLL CALL**
- III. APPROVAL OF DECEMBER 7th, 2023, MEETING MINUTES**
- IV. CONTINUED DISCUSSION OF CRITERIA ENHANCEMENTS RELATED TO VACATION RENTAL HOMES INCLUDING NEWBERG MUNICIPAL CODE (NMC) 15.445.330 AND OTHER APPLICABLE CODE SECTIONS**
- V. CONTINUED DISCUSSION OF ACTION PLAN AND FORMATION OF RECOMMENDATION TO CITY COUNCIL**
- VI. NEXT MEETING: TBD**
- VII. ADJOURNMENT**

FOR QUESTIONS, PLEASE STOP BY, OR CALL 503-537-1240, COMMUNITY DEVELOPMENT DEPT. – P.O. BOX 970 – 2301 NE WYNOOSKI RD.

ACCOMMODATION OF PHYSICAL IMPAIRMENTS: *In order to accommodate persons with physical impairments, please notify the Community Development Department of any special physical or language accommodations you may need as far in advance of the meeting as possible as and no later than 48 business hours prior to the meeting. To request these arrangements, please contact the Office Assistant II at (503) 537-1240. For TTY services please dial 711.*



SHORT-TERM RENTAL AD HOC COMMITTEE

SHORT-TERM RENTAL AD HOC COMMITTEE MEETING MINUTES

December 7, 2023, 5:00 PM

Meeting held in person: 414 E First St & Virtual

(This is for historical purposes as meetings are permanent retention documents and this will mark this period in our collective history)

Chair Robyn Wheatley called the meeting to order at 5:00 pm.

ROLL CALL

Members Present: Robyn Wheatley, Chair
Peggy Kilburg, Vice Chair
Beth Keyser
Don Sires

Members Absent: Dave Chetlain

City Council
Representative: Bill Rosacker

Staff Present: Clay Downing; Interim Community Development Director
James Dingwall; Assistant Planner
Fé Bates: Administrative Assistant

PUBLIC COMMENTS:

Michael Pender: Made a public comment about his experience managing vacation rentals. Expressed that he opposed limiting the amount of days VR can be rented out. If the fee's are increased, then it could put some of the VR's out of business. Currently this year bookings are down. Opposed to having only locals rent them, have good experience with one that is right next to him and the owner lives out of state. Reaching out every year to neighbors would be very cumbersome. Feels that the 500' stipulation would be too restrictive.

Member Keyser asked if Mr. Pender has had any complaints since he has rented, or when he was going through the process. Mr. Pender commented that he had not.

Member Kilburg asked for clarification on if he agreed or disagreed about having people who are local able to apply for VR. He said that he felt that it is a business and that a lot of business owners don't live in Newberg and a lot of thought it was unfair that they would make vacation rental owners.

CONSENT CALENDAR:

Approval of the November 3rd, 2023 & November 13, 2023 Meeting Minutes.

MOTION: Member Done Sires moved to approve the November 3rd, 2023 & November 13, 2023 Short-Term Rental Ad Hoc Committee Meeting Minutes, Seconded by Member Peggy Kilburg.

Motion carried: 4 Yes, 0 No, 1 Absent, 0 Abstain



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DISCUSS CRITERIA ENHANCEMENTS RELATED TO VACATION RENTAL HOMES INCLUDING NEWBERG MUNICIPAL CODE (NMC) 15.445.330 AND OTHER APPLICABLE CODE SECTIONS

Staff Dingwall presented a presentation of discussion items separated out into four sections highlighting:

- Current Vacation homes in the City of Newberg with the zoning they are located in.
- Possible Vacation Rentals in the City, depicted on maps, depending on what kind of VR Caps are implemented by the city.

Staff explained to the Committee that the numbers presented were examples taken from other jurisdictions and if they would like to recommend a cap they did not have to choose any presented but could do what they felt was best for the City of Newberg.

- Explained the current Process of the Development Standards and how the Committees thoughts of changing the Permitting process from Type III to a Type II process and having the application run with the person not the land would change the current process.
- Reviewed Criteria that the Committee had expressed as a possibility for VR's and presented what other Jurisdictions had done.

Conversation about the difference between Long Term Rental and Short-Term Rental ensued between Staff and Committee Members. It was decided that the 30-day threshold that is currently in place for when a Short-Term Rental turns into a Long-Term Rental is good.

- Reviewed Committees thoughts on Compliance/Enforcement and what other Jurisdictions had done along with our current Penalties as stated in the Code.

Staff informed the Committee that they have spoken to Code Enforcement and that Code Enforcement prefers to do what they can to work with people out of compliance before implementing the penalties outlined in the City Code.

It was asked of Staff how we are enforcing the current standards for VR. Staff replied that the City is currently complaint driven in regard to compliance, they acknowledged that it is not the preferred way but with staffing restrictions is the way it has been.

Staff informed the Committee that after a discussion with the City Attorney it was clarified that the City can revoke the VR approval if they do not submit any TLT payments withing a year of approval. But if they have submitted TLT payments within the year the VR is activated, and the City has no standing to revoke the approval. We do have a provision that if the person is not in compliance, they can come meet with the City Manager and come up with an agreement to rectify the issue.

- Reviewed the Committees thoughts on having existing Grandfathered VRs come into compliance with current regulations and reviewed what other Jurisdictions had implemented.

City Council Rep Rosacker asked for clarification on the current Grandfathered VR's. Staff replied that when the STR code was implemented in 2013 that all VRs that were already being run were exempt from applying and could be



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ran without approval. The possible caveat to having the Grandfathered rentals become compliant is that they may not be able to be approved with the VR standards in place, such as parking requirements.

Committee Member Keyser mentioned that we could possibly require VRs to have higher fences as an option to protect livability and to alleviate complaints from neighbors. Staff read the current fence code height requirements to the commission.

CONTINUE DISCUSSION OF ACTION PLAN AND FORMATION OF RECOMMENDATION TO CITY COUNCIL

Staff explained that the information just presented was to illustrate all the areas where the items discussed in prior meetings are affected. The four categories were chosen from past discussions from the Committee and public comments that have been received from past applications. Staff pointed out that it was mentioned that this was to be the last meeting, with that in mind Staff offered a timeclock and suggested the Committee take five to ten minutes with each area.

Committee members discussed how they would proceed with the process and proceeded to go over all sections in order.

- Number of Vacation Rental

Committee members discussed if they should put a cap on vacation rentals and if so how much. Tabled this for further discussion at the next meeting.

- Process- Change Criteria/Geography

Committee members discussed Processes and various changes to the criteria. They unanimously agreed:

1. Change the Process from a Type III to a Type II
2. Change the approval from running with the land to running with the Owner
3. Have no limits on the days a VR can be rented out
4. Not to require owners to be a residence of the City of Newberg
5. Have a “Good Neighbor” Notification required
6. Mandate that Vacation Rental companies collect and remit TLT tax(exception for self-operated.
7. Have harder Penalties for non-compliance
 - a. 1st Offense: \$2,000
 - b. 2nd Offense: \$5,000

- Compliance and Enforcement

Committee members discussed types of compliance requirements and enforcement. They unanimously agreed:

1. Require applicant to send out a “Good Neighbor” Notification with contact information upon approval and annually. This could be tracked through the Business License renewal process.
2. Mandate that Vacation Rental companies collect and remit TLT tax (exception for self-operated VR’s)
3. Change Penalties for running a VR without a permit:
 - a. 1st Offense: \$2,000
 - b. 2nd Offense: \$5,000
4. Use the See-Click-Fix app to track complaints from neighbors, this would be outside the police
5. City to use software to track compliance for all aspects of VRs

- Grandfathering & Amortization

Committee members discussed what would be reasonable for Grandfathered VRs to come into compliance. They unanimously agreed:

1. Amortization:



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- a. 90 Day period to come into compliance (either getting permitted, signed up to pay TLT, get a Business License or a combination of the requirements)
 - i. If a Grandfathered VR is not conforming to the current code requirements, they will still need to get a permit but it can be approved as a non-conforming use if they were in operation prior to XXXX (a year specified by staff)
- b. If the VR does not come into compliance with the period
 - i. The VR is deemed non-compliant, and a penalty will come into play.

NEXT MEETING:

Next meeting is January 17, 2024, 3pm.

ADJOURNMENT:

Chair Wheatly- adjourned the meeting at 7:55.

APPROVED BY THE SHORT-TERM RENTAL AD HOC COMMITTEE, this 1st day February 2024.

Robyn Wheatley, Committee Chair

Fé Bates, Recording Secretary