

TO: Newberg Planning Commission

FROM: Doug Rux, Community Development Director

SUBJECT: Public Hearing CUP22-0002, 514 N College Street

DATE: March 10, 2022

Commissioners,

Supplemental material has been received regarding CUP22-0002 at 514 N College Street. That material is attached for your review.

Attachment

March 2nd, 2022

City of Newberg (copy to Mayor Rogers)
Doug Rux
Community Development Department
414 E. First Street
Newberg, Oregon 97132

Dear Mayor Rogers, Mr. Rux and staff:

I was just before the development department a few months ago and once again find myself asked to comment on a change of a residence in our block.

I write today (and I believe with the support of my neighbors) in opposition to a recent proposal to take a recently purchased home and turn it into a VRBO. I am opposed to this request for several reasons. First, the home represents one of the most affordable houses in the area near the University. If it is allowed to be essentially converted into a local hotel, it takes another home out of the market for possible family purchase. I believe that the significant rise in home prices, which is pricing numerous families out of our market, is due to a lack of available housing. When the city allows outside investors to take homes off the market by turning them into short-term rentals it exacerbates this problem.

Second, the city staff has interpreted the requests for turning homes into VRBOs as consistent with current residential use. While I understand their argument, I would suggest that VRBOs are inconsistent with residential use. While someone may stay in the home, the inherent practice of the VRBO is more consistent with a hotel rather than a family or individual living in the home. The person or family stays short term and their primary purpose is recreation. Given VRBOs short-term focus, individual users have little interest in investing in the community, participating in community service activity, getting to know neighbors, or other activities that are consistent with behavior of families and individuals actually living in a residential house.

Further, the city will have approved turning three homes into VRBOs immediately surrounding our home at 701 E. Franklin street. If you continue to approve such requests I believe the result will be the erosion of the downtown corridor. As I said before, efforts of citizens to use their homes as revenue opportunities should not come at the expense of the local community.

My arguments to you are enhanced at this point by the fact that the Dundee has begun to enact policies limiting the effect of VRBOs or short-term rentals on their community (documents enclosed). It would be my request that Newberg consider similar changes.

Sincerely,

Robin Baker

President, George Fox University and resident of 701 E. Franklin Street, Newberg



NOTICE OF DEVELOPMENT CODE AMENDMENT DECISION

July 14, 2021

Subject: Short Term Rental Amendments to the Dundee Development Code, File: LURA 20-16.

The City Council passed Ordinance 572-2021, approving amendments to the short-term rental regulations in the Dundee Development Code. A copy of the ordinance is attached.

Any party who participated in the public hearing process by submitting oral or written testimony into the record may appeal to the Oregon Land Use Board of Appeals (LUBA) by first filing a "Notice of Intent to Appeal," and paying the filing fee, within 21 days after mailing of this Notice of Decision (OAR-661-010-0010(3)). For details on filing an appeal, contact the Oregon Land Use Board of Appeals at 503-373-1265 (775 Summer St. NE, #330, Salem, OR 97301).

If you have any questions about the amended language, please contact Jim Jacks, Interim City Planner, at 503 540-1619 or jjacks@mwvcog.org.

Sincerely,

Melody Osborne
Administrative Assistant

CC: File

CITY OF DUNDEE
ORDINANCE NO. 572-2021

An Ordinance amending the Dundee Development Code to update Section 17.203.240 and related sections for short term rentals

WHEREAS, the City of Dundee desires to update the short term rental section of Title 17 (Specifically Section 17.203.240 and related sections) to stay up to date with best practices;

WHEREAS, the City of Dundee performed public outreach during COVID in the form of a survey and telephone interviews with stakeholders;

WHEREAS, the Dundee Planning Commission held workshops, open to the public via zoom (due to COVID restriction in place at the time) on September 16, 2020 and November 18, 2020 to discuss potential code amendments to modify short term rentals. As a result of the workshop discussions and outreach, staff created Development Code amendments that will modify the short term rentals section of Title 17;

WHEREAS, the Dundee Planning Commission considered the amendments at their March 17, 2021 and April 21, 2021 meetings and the Planning Commission adopted an Order of Recommendation recommending that City Council adopt the proposed Development Code amendments;

WHEREAS, after proper notice, the Dundee City Council held a hearing on June 1, 2021 and continued the hearing to June 15, 2021, to consider the proposed Development Code amendments. The Council finds that the proposal meets the applicable criteria as outlined in Attachment A.

NOW, THEREFORE, THE CITY OF DUNDEE DOES ORDAIN AS FOLLOWS:

1. The Dundee Development Code is hereby amended as shown in Exhibit B.
2. The findings in support of these amendments, as shown in Exhibit A, are hereby adopted and by this reference incorporated.
3. This ordinance shall take effect on July 15, 2021, thirty days after its enactment.

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ADOPTED by the Dundee City Council this 15th day of June, 2021.

Approved:

A handwritten signature in black ink, appearing to read "David Russ", written over a horizontal line.

David Russ, Mayor

Attest:

A handwritten signature in black ink, appearing to read "Rob Daykin", written over a horizontal line.

Rob Daykin, City Administrator/Recorder

Exhibit A: Findings (LURA 20-16 – Vacation Rental Updates)

Amendments are required to be consistent with all applicable local and state laws including the Dundee Comprehensive Plan and Statewide Planning Goals.

Dundee Comprehensive Plan

Recreation and Willamette River Greenway. Goal: To provide adequate park land and recreation facilities for area residents and visitors and preserve land within the Willamette River Greenway.

Finding: Short term rentals (“STR”) provide a place to stay when recreating in the Wine Country. The changes to the existing regulations will make it easier to establish short term rentals, because it will create different categories of rentals. The amendments will also minimize nuisance issues for existing residents ensuring that renters will be good neighbors. The changes will not incentivize the development of vacant land in the Willamette River Greenway.

Economy. Goal: To maintain a level of economic development adequate to meet public need. Objective (2): To assure that commercial and industrial developments preserve and enhance the aesthetic character and livability of Dundee.

Finding: Short term rentals have been used since 2014 as a tool to bring economic development to the City. The revised regulations will help bolster new STR opportunities in several ways, including creating a two tier system of rentals. This will help assure that all the negative impacts of STRs are more tightly regulated. Examples of this include only allowing one STR in the community per person, placing a cap on the total number of STRs that can be in the City, adding regulations to spread them out, thus not creating one overconcentrated area of STRs, and adding regulations to address street parking. The additional regulations will help balance the need for STRs with the need to keep the community strong and vibrant.

Statewide Planning Goals

Goal 8: Recreational Needs (OAR 660-015-0000(8)) – To satisfy the recreational needs of the citizens of the state and visitors and, where appropriate, to provide for the siting of necessary recreational facilities including destination resorts.

Finding: The proposed Development Code amendments will help strengthen the recreational needs of visitors to the Dundee area by providing them with a more consistent lodging experience, while helping to keep the community quiet and peaceful. The amendments add additional regulations to get faster resolve to local complains, by requiring a local representative to address complaints faster. Limits have been added to how many people can stay in the units overnight, and all parking must be located onsite, not in the street. The additional protections against nuisances will help visitors and residents enjoy the area more and help foster further visitors.

Goal 9: Economic Development (OAR 660-015-0000(9)) – To provide adequate opportunities throughout the state for a variety of economic activities vital to the health, welfare, and prosperity of Oregon’s citizens.

Finding: The proposed Development Code amendments build on the original regulations to keep up with short term rental industry trends and trends of neighboring towns. The multi-tier system will help casual users, like those who rent their house when they are on vacation, without the need for taxes or a process to go through. While those that rent more frequently will be required to treat the STR like a business, with land use requirements such as tracking (for taxes), required signage, complaint servicing, and ultimately the ability to have the permit suspended if nuisance issues are not addressed. As stated previously, the new regulations will help protect the community, which is one of the reasons renters rent in the area. Therefore, the proposed amendments would further economic development efforts at the local level.

Title 17 Development Code Criteria

17.405.030 Criteria for Map or Code Amendments

Development Code Amendment. Proposals for a development code amendment must comply with applicable comprehensive plan goals and policies, statewide planning goals, and Oregon Administrative Rules.

Finding: These are outlined above.

Exhibit B

Most of the text for the Vacation Rental Section, Section 17.203.240 has been revised; therefore this section is shown below without redline strikeout.

17.203.240 Short Term rentals

All short-term rentals (STRs) shall conform to the following standards:

A. Applicability. No person shall occupy, use, operate or manage, nor offer or negotiate to use, lease or rent, a dwelling unit for short-term rental unless issued a STR permit or exempted under this Section. The standards of this section shall supersede the standards elsewhere in the Development Code, unless otherwise stated. This section applies to a dwelling unit in a residential or Agriculture (AG) zone built for permanent use. The person(s) renting the STR must rent the dwelling in its entirety for the purpose of overnight lodging to visitors for less than 28 days at any one time.

B. Purpose. The purpose of this section is to provide a process and standards for allowing STR units while mitigating possible impacts to neighbors. STRs are not considered home occupations.

C. Review Process. There are two types of short-term rentals. Infrequent and standard STRs are regulated below.

1. Infrequent STRs are properties that are available for rent fewer than 30 days total per calendar year. These are:
 - a. Processed as a Type I application.
 - b. Required to comply with the notice requirement listed in subsection (D)(1).
 - c. Required to comply with all the standards listed in subsection (J).
 - d. Limited to no more than four rental periods per calendar year (cumulatively no more than 30 days per calendar year). For purposes of this section, a rental period means a range of continuous days.
 - e. Exempt from the concentration limits for STRs in subsection (I) of this section.
2. Standard STRs shall be processed as a Type II application.
3. All STR applications must include (this supersedes the requirements of 17.402.040, except 17.402.040.B.2 and 7):
 - a. A site plan drawn to scale, which indicates the following: the actual shape and dimensions of the lot, sizes and locations of buildings and off-street parking spaces

(existing and proposed). In addition to the site plan, a floor plan(s) must be included which clearly indicates the intended use of all interior areas (e.g., bedrooms, kitchen, living room, storage, etc.) by guests and locations of smoke detectors, carbon monoxide detectors, and fire extinguisher(s).

- b. Bedroom and bathroom counts.
- c. Images of the following required safety features: Smoke detectors, carbon monoxide detectors, and fire extinguishers. The images should include the date the image was taken.
- d. A list of the applicant's rules and requirements for renters. If the STR is approved these will be requirements of the permit.
- e. A narrative explaining how the standards below, and the criteria from Section 17.402.050 are met (for infrequent STRs the criteria from Section 17.401.020.C pertain).

D. Notice. A Type II written notice consistent with Section 17.401.030 shall be provided to all neighbors within 200 feet of the property. The notice shall contain all of the following information:

1. The name, address, and telephone number of a local contact person responsible for maintenance and responding to emergencies, so that residents may report any problems with the STR as outlined in Section 17.203.240.K.
2. All other requirements of Section 17.401.030.B.3.

E. Criteria. For both Type I Infrequent Short Term Rentals and Type II Short Term Rentals the criteria are:

1. The proposed STR will not present any burden on neighbors to the property. Any mitigation added to address concerns, have been included as requirements of the permit. Mitigation may be required to the satisfaction of City Staff.
2. The applicant has applied for a business license.
3. All standards from Section 17.203.240.J have been met.

F. Business License and Transient Room Tax.

1. The owner of the STR shall obtain and annually renew a business license pursuant to Chapter 5.04 of the DMC with the City of Dundee (Type I and II), and shall comply with Chapter 3.04 DMC, Transient Room Tax (Type I and Type II).
2. The owner of the STR shall renew the business license and remit payment of the business license fee by April 1 of any year, otherwise the STR permit will be void.
3. An STR permit holder must generate at least \$500 in transient room taxes pursuant to Chapter 3.04 DMC over any continuous twelve month period, otherwise the STR permit will be void.

4. All business license renewals for STRs shall include:

- a. Evidence at the time of renewal that all Transient Room Taxes have been paid in full for the previous year.
- b. The owner or property owner must annually provide contact information to neighbors within 200 feet of the STR property, including an emergency contact other than the property owner. An affidavit shall be provided with the business license renewal application stating such mailing has been sent.
- c. The applicant shall provide a log of complaints to the City annually with the business license renewal. This shall include issues received /reported by the property owner or manager and all nuisance issues that were addressed by the police. The log must explain how each complaint was addressed.

G. Limits on Permit Transfer. All STR permit approvals will only be valid for the current property owner (not including transfers to trusts, LLC's, divorces or similar changes in names, but not ownership). Any sale of the property will automatically invalidate the STR permit.

H. Overnight Occupancy Limits. The maximum overnight occupancy for the STR shall be two persons per bedroom plus two additional persons, however in no case shall the overnight occupancy exceed 10 persons, regardless of the bedroom count.

I. Concentration limits. At no point shall the number of STR permits in the City exceed five percent (5%) of the total number of detached single-family homes in the city, calculated at the time the permit is issued. Infrequent STRs are exempt and do not contribute to the City wide total. Any STR renewal is not required to demonstrate that they are within the 5% limit. Should the City reach the 5% limit, no new STR permits shall be issued until a sufficient number of previous STR permits do not renew or the number of residential units in the City grows to the point where there is less than 5%.

J. Standards.

1. Parking. At least two (2) off street parking spaces (located on the property) must be provided. In addition, one (1) STR parking space may be on-street. All overnight and visiting guests must park in designated parking areas (as shown on the site plan). No unauthorized on-street parking is permitted.
2. Trash and Recycling Facilities. The owner shall provide for and maintain regular trash collection. Available bins must have adequate capacity for the renters, and no uncontained garbage is allowed on the site.
3. Pets. Pets shall comply with DMC Title 6.
4. Noise Limits. All activities associated with the STR shall comply with the noise standards in Chapter 8.28 DMC. Any violations are to be considered nuisance violations.
5. RVs and Other Temporary Shelters. The premises of the STR may not include any occupied recreational vehicle, trailer, tent, or other temporary shelter during the rental occupancy. Tents, including event tents, are not permitted.

6. Nuisances. All activities associated with the STR shall not cause a nuisance as defined in Chapter 8.16 DMC.
7. Posting of Information. The applicant shall keep posted a list of information about the STR adjacent to the front door inside the dwelling. At a minimum, the posting shall include the following information:
 - a. The name and contact information for a local contact person responsible for maintenance and responding to emergencies and/or complaints.
 - b. The current annual STR business license.
 - c. Any requirements for the STR to ensure it complies with this code.
 - d. The location of any safety equipment including fire extinguishers.
 - e. The maximum number of occupants that was approved by the City.
 - f. A list of the applicant's requirements for renters of the property (enforceable as part of this permit issuance).
8. Guest Register. The owner or property manager shall maintain a guest register listing each tenant of the STR along with the number of dwelling occupancy days consistent with DMC 32.04.150.
9. No Type II STR shall be located adjacent (contiguous to the property on the same side of the street) to any permitted Type II STR unit. The Planning Commission may approve contiguous Type II STR permits as a Conditional Use Permit with criteria as outlined in Subsection (H).
10. STRs are allowed in any dwelling unit in a residential zone or the Agriculture (A) zone except multifamily dwellings and Accessory Dwelling Units. An owner shall not rent out a main house while they live in an Accessory Dwelling Unit.
11. For all Type II STRs, the property owner shall designate a local representative that is physically located within the Dundee Urban Growth Boundary (UGB) or within ten (10) vehicular miles of the UGB. Said representative can be a property owner or a licensed property management company with a physically staffed office within ten (10) vehicular miles of the UGB. The owner may be the designated representative if the owner resides within these stated limits.

The local representative must be authorized by the owner of the dwelling to respond to the tenant and neighborhood questions or immediate concerns. The local representative shall serve as the initial contact person if there are questions or complaints regarding the operation of the STR, including immediate complaints. The local representative must respond to complaints in a timely manner to ensure the dwelling complies with the standards for STRs and other city ordinances pertaining to, but not limited to, noise, disturbances, nuisances, as well as state laws pertaining to the consumption of alcohol, or the use of illegal drugs, or other illegal activities.

12. No person or principal shall possess more than one STR permit pursuant to this chapter.
13. Smoke detectors are required in all sleeping areas, the hallway serving them, and every floor. Carbon monoxide detectors shall be located in each bedroom or within 15 feet of each bedroom door. Bedrooms on separate floor levels in a structure shall have separate carbon monoxide alarms serving each story. A fire extinguisher having a minimum rating of 2:A 10:BC must be mounted 3 to 4 feet above the floor in the kitchen area approximately 5 to 10 feet from the cooking stove.

K. Complaints and Permit Revocation.

1. Immediate complaints. Immediate complaints are those made directly to the STR representative and/or the Fire or Police Department. These are not intended to be reported to City Hall. The process identified in this section is separate from the process identified in Section K.2 below. Any complaint made to both the STR representative and the City will follow both processes identified in K.1 and K.2.
 - a. All immediate complaints shall go to the property owner or property manager. The property owner or property manager is required to address any immediate complaints while the offending renter is still onsite. Any emergencies should be reported to police and/or the fire department first.
 - b. Any unresolved complaints that are not addressed by the property owner or property manager shall be addressed by the local police department as a nuisance complaint.
 - c. The applicant shall provide a log of complaints to the City annually with the business license renewal. This shall include issues addressed by the property owner or manager and all nuisance issues that were addressed by the police.
 - d. Where complaints are persistent and recurring such that they have a detrimental effect to the quiet enjoyment of the adjoining residents, as determined by the City Administrator, the City Administrator may schedule a hearing before the Planning Commission to consider adding additional conditions for mitigation or revoking the short term rental permit. The owner may appeal the Planning Commission decision to the City Council.
2. Standards Violations. Any complaints about a violation of the standards listed in Section 17.203.240.J shall be reported to the city. The city shall notify the property owner in writing of any corrective action necessary to correct the violation, and the owner shall have 30 days to correct the identified issue. If the city receives three or more complaints about violations of the standards listed in Section 17.203.204.G within a 12-month period, the city administrator shall schedule a hearing before the Planning Commission to consider adding additional conditions for mitigation or revoking the short term rental permit. The owner may appeal the planning commission decision to the city council. Any revocation of an STR permit shall last at least 1 year before an applicant can re-apply for an STR. Any new application to reinstate the STR shall be treated as all new application. [Ord. 563-2018 § 1 (Exh. A); Ord. 537-2014 § 1].

Other code sections effected by these revisions (edits shown in redline ~~strikeout~~)

Table 17.202.020 Zoning Table

Table 17.202.020; Zoning Table	P: Permitted Use; CU: Conditional Use; S: Special Use Requirements Apply; N: Not Permitted										
Uses	Residential			Commercial			Public and Ag			Special Use Requirements	
	R-1	R-2	R-3	C	CB D	LI	P	PO	A	EFU	
Vacation Infrequent or standard Short Term Rental	P	P	P	PN	PN	N	N	N	N P	N	DMC <u>17.203.240</u>

17.203.260 Accessory dwelling unit (ADU), Subsection C. Standards

7. An accessory dwelling unit may not be used as a ~~vacation rental~~ Short Term Rental.

17.401.010 Purpose and applicability

Table 17.401.010 Summary of Approvals by Type of Review Procedure		
Approvals	Review Procedures	Applicable Regulations
Infrequent Short Term Rentals	Type I	DMC <u>17.203.240</u>
Short Term Rentals	Type II	DMC <u>17.203.240</u>

17.501 Definitions

~~“Vacation rental”~~ “Short Term Rental” means a dwelling unit, other than multifamily dwellings or accessory dwellings, in a residential or an Agriculture (A) zone ~~built for permanent use~~ that is rented out in its entirety for the purpose of overnight lodging to visitors for less than 28 consecutive days ~~at any one time~~. ~~Vacation rental~~ Short Term Rental does not include a dwelling in which individual rooms are rented out separately; this type of use would fall under “bed and breakfast establishment.” Any rental of dwelling units not located in residential zones or Agriculture (A) zone for less than 28 continuous days is considered a hotel or motel use.

“Principal” means a principal or governing member of any business entity, including but not limited to, LLC member/manager, president, vice president, secretary, treasurer, CEO, director, partner, general partner, or limited partner.