

**AGENDA REPORT
PLANNING AND ZONING COMMISSION MEETING
March 20, 2025**

SUMMARY

A request by Deonna Shepard (agent), on behalf of Kelso Holding LLC (owners), for approval of a Conditional Use Permit (CUP) to allow 206 Third Avenue, Unit 100 to be used as a short-term rental for a maximum of 4 transient guests and up to 210-nights annually pursuant to Sec. 29-3.3(vv) and 29-6.4(m) of the Unified Development Code. The approximately 0.15-acre subject site is zoned R-2 (Two-Family Dwelling), is located west of the intersection of Third Avenue and Providence Road, and is addressed as 206 Third Avenue.

DISCUSSION

The applicant seeks approval of a conditional use permit (CUP) to allow one-half, Unit 100, of the duplex dwelling on the subject property to be used as short-term rental. The 1012.5 sq. ft. dwelling contains 3 bedrooms and 2 baths and is sought to be used as a short-term rental for a maximum of 4 transient guests up to 210-nights annually. As part of the STR Licensing process, a full structural inspection will be performed by the Housing and Neighborhood Services Department and the Building and Site Development Division of Community Development. The home is located within an R-2 (Two-family dwelling) district.

A site-specific evaluation of the property found that the home has no attached garage and the existing driveway serving the property has sufficient on-site/off-street capacity to support 2 UDC compliant parking spaces outside of public right of way per unit on the property. Given the number of desired guests a minimum of 2 UDC compliant on-site/off-street parking spaces must be provided.

Review of available code violation records associated with this property has not identified a single violation. The property is currently and has been operating as a short-term rental since June 2024. The applicant currently has a "long-term" rental certificate that expires in April 2027. It worth noting that pursuant to Sec. 29-3.3(vv)(2)(i) of the UDC, full compliance with the adopted short-term rental regulations was delayed until June 1, 2025. As such, operation of the dwelling as a STR up to June 1, 2025 is permissible without a license. Approval of this request would ensure the current STR is compliant in advance of the June 1, 2025 licensure deadline.

APPLICATION EVALUATION

The submitted application is subject to both the general and conditional use permit provisions governing short-term rentals identified within Sec. 29-3.3(vv)(1)(ii)(B) and Sec. 29-3.3(vv)(2) as well as Sec. 29-6.4(m)(2)(i) and (iii) of the UDC, respectively. The following analysis provides an overview of the submitted application and these criteria.

The dwelling is not the applicant's principal residence and was disclosed as having been previously offered as a short-term rental since approximately June 2024. In 2024, the dwelling was used for STR purposes for approximately 45 nights. Online reviews for the dwelling confirm usage as an STR starting around June 2024 and continuing into the present. The dwelling is listed on Furnished Finder at <https://www.furnishedfinder.com/property/768505> 1. Review of online rental platforms such as AirBnB, VRBO, Booking.com, and Furnishedfinders.com has identified no additional STR within a 300-foot radius of the subject dwelling.

Based upon the stated **bedroom** square footages shown within the application, it would appear that the dwelling would be capable of supporting 4 transient guests. This conclusion is made following review of the most current edition of the adopted International Property Maintenance Code (IPMC) and Sec. 404.4.1 thereof in which it is stated that every bedroom shall contain not less than 70 sq. ft. of floor area and for every bedroom occupied by **more than one** occupant there shall be no less than 50 sq. ft. of

floor area per occupant thereof. The owner is seeking approval for 4 transient guests. This number of guests is within the limitations imposed by Sec. 29-3.3(vv)(2)(v) of the UDC and is supported by the number of available on-site/off-street parking-

A final verification of the maximum occupancy allowed within the dwelling will be determined by the City's Housing and Neighborhood Services Department in conjunction with the required compliance checks for conformance with the provisions Chapter 22, Art. 5 (Rental Unit Conservation Law) prior to issuance of a STR Certificate of Compliance. Under no instance would occupancy be permitted over 4 transient guests pursuant to Sec. 29-3.3(vv)(2)(v) given available on-site/off-street parking. The authorized occupancy will appear on the STR Certificate of Compliance and is required to be included on any website or other media advertising the dwelling for STR usage.

Within the required 185-foot notification radius, the subject dwelling directly abuts 3 other duplex structures to the east and west of the site within an R-2 zoning district. These duplexes appear to be built at the same time as the subject site, with similar design features. On the north side of Third Street, the lots are developed with single family homes. A commercial development exists on the northwest corner of Third Avenue and Providence Drive. The southwest corner of this intersection is zoned M-OF but is not currently developed, and abuts a split zoned rental property. Sidewalks are present on both sides of Third Avenue. This site is directly west of Hickman High School, which is to the east of Providence Drive. Street Parking is allowed on both sides of Third Avenue. The dwelling is supported by adequate public infrastructure (i.e. electric, sewer, & water) and there are no known issues with available capacity to serve the dwelling as an STR. Sidewalks are installed along both sides of the Third Avenue frontage.

Based on public notification letters, there are 21 individual properties within 185-feet and 2 neighborhood associations within 1,000 feet of the subject dwelling. Of the 21 properties, 2 are owner-occupied and 19 are rental. Of the rental properties, 14 are zoned R-2, one is zoned M-OF, 3 are zoned M-N, and one is split between R-2 and M-OF. Both owner-occupied units are zoned R-2. Outside of the three duplex developments abutting this subject site, many of the residential lots have been developed with single family homes. The M-N lot has a commercial development on the site, currently serving as a beauty store. Given the R-2 zoning of the surrounding dwellings, the maximum "long-term" rental occupancy of each dwelling unit would be 4-unrelated individuals. As of preparing this report, no emails or written letters of support or opposition were received with respect to this application.

The subject dwelling is owned by an LLC jointly by a "husband and wife". Based on this ownership, approval of the requested CUP would be the "one and only" STR license to any member of the LLC pursuant to the provisions of Sec. 29-3.3(vv)(2)(ii) of the UDC. The dwelling is registered as a long-term rental with a rental certificate expiring in April 2027. Given this status, the applicant could offer the dwelling to an individual for a period of 31 days or greater without impacting the number of available STR rental nights and would not be required to pay accommodation taxes for such stays.

The application indicates that the LLC will have an agent act as the designated agent to address compliance matters should they arise while the dwelling is offered for STR purposes. The designated agent is located within Boone County and is located approximately 2.8 miles (10 minutes) from the dwelling should there be a need to address regulatory compliance matters.

Based on a site-specific evaluation, it would appear that access to the dwelling does not require ascending or descending steps to enter the structure. As such, compliance with the accessibility provisions of Sec. 29-3.3(vv)(2)(xiv) of the UDC may not be required. A final determination of required compliance will be completed prior to issuance of a STR Certificate of Compliance by the Housing and Neighborhood Services Department and Building and Site Development Division of Community Development. During the site-specific inspection of the dwelling no signage was identify as being present to advertise the dwelling as an STR. Such signage would be permissible provided it is no greater than 1 sq. ft. in area and was non-illuminated.

Sec. 29-6.4(2)(i) General CUP Review Criteria:

As noted, given this application triggers approval of a conditional use permit (CUP) the following analysis of the provisions found in Sec. 29-6.4(m)(2)(i) and (iii) of the UDC have been performed. The owner has provided their analysis of these criteria (see attached) and the staff's analysis is provided below. The standard criteria are shown in **bold text** followed by staff's response.

(A) The proposed conditional use complies with all standards and provisions in this chapter applicable to the base and overlay zone district where the property is located;

A short-term rental that is not a long-term resident's principal residence is permitted within the R-2 zoning district subject to approval of the requested conditional use permit (CUP). The submitted application (see attached) has illustrated compliance with the minimum regulatory standards established within Sec. 29-3.3(vv). A site-specific inspection finds that the dwelling has a driveway parking capable of accommodating 2 UDC compliant parking spaces outside the public right of way.

Additional regulatory review to ensure full compliance with the provision of Sec. 29-3.3(vv) and Chapter 22, Art. 5 (Rental Unit Conservation Law) of the City Code will occur if the CUP is granted prior to issuance of a STR Certificate of Compliance. The subject dwelling is not located within an overlay district that would otherwise prohibit the proposed use of the dwelling as an STR.

(B) The proposed conditional use is consistent with the city's adopted comprehensive plan;

The comprehensive plan does not speak directly to the use of residential dwellings for alternative purposes such as an STR; however, does contain policies, strategies, and actions relating to the topics of livable and sustainable neighborhoods, land use and growth management, and economic development. The adoption of the regulatory provisions governing the use of a residential dwelling for STR purposes is seen as addressing several of these policies, strategies, and actions.

With respect to the goal of creating **livable and sustainable neighborhoods**, approval of the requested CUP would support the mixed-use concepts of Policy # 2, Strategy # 1 (page 144) of the Plan. While this strategy focuses on the concept of creating "nodes" of neighborhood scale commercial and service uses as a high priority, the first "action" within the strategy recommends using planning tools and decision-making to locate small-scale commercial and service businesses adjacent to residential development. STRs have been determined to be a commercial use. Staff believes adoption of the STR regulations and their requirement of a CUP are relevant planning and decision-making tools consistent with the intent of this Policy and assist to fulfill the idea of supporting mixed-uses within residential neighborhoods.

With respect to **land use and growth management**, Policy # 3, Strategy # 3 (page 146 of the Plan) would be fulfilled given the regulatory limitations on occupancy and rental nights that are contained within Sec. 29-3.3(vv).

And finally, with respect to **economic development**, Policy # 3, Strategy # 2 (page 149 of the Plan) would be fulfilled by supporting local entrepreneurial ventures. The adopted regulatory provisions governing the use of a residential dwelling for STR purposes were created with options to allow owners and/or renters the ability to participate in the STR market subject to reasonable regulation. This ability for participation not only supports individual entrepreneurial ventures, but also broader city-wide economic objectives relating to tourism and tourism-related activities.

- (C) The proposed conditional use will be in conformance with the character of the adjacent area, within the same zoning district, in which it is located. In making such a determination, consideration may be given to the location, type and height of buildings or structures and the type and extent of landscaping and screening on the site;**

Lots directly abutting the subject site are residentially developed, and within the R-2 zoning district. The lots directly next door are duplexes built in a similar fashion to the structure on the subject site. The residential lots on the north side of Third Avenue all appear to be single family homes. Parking is allowed on both sides of Third Avenue, and there are sidewalks on both sides as well. The subject site is west of Hickman High School.

Based on a search of typical listing platform such as AirBnB, VRBO, Booking.com, and Furnishedfinders.com the dwelling was identified as being a listed short-term rental. The applicant has indicated that the home has been previously used as a STR since June 2024 and was used for approximately 45 nights in 2024. Based on online reviews, the dwelling has been actively listed and made available since June 2024 to the present.

The adopted STR regulations provide standards by which potential negative impacts of operating the dwelling as an STR may be mitigated and afford a method of regulatory reporting/enforcement that prior to February 2024 were nonexistent within the City's municipal code. The regulatory standards ensure added scrutiny is placed on the dwelling's operation as a commercial use. Should violations of the regulatory provisions raise to the level requiring action, such action may include in addition to fines, revocation of the STR Certificate of Compliance.

The dwelling has been used as a STR without apparent incident. Given the lack of identified/reported violations, there is nothing to suggest that the continued operation of the dwelling as an STR would be non-compliant or incompatible with the surrounding neighborhood. Based upon property owner notification letters, of the 21 surrounding parcels within 185-feet of the subject dwelling, it appears 2 are owner-occupied and 19 are rental units. Of the rental properties, 14 are zoned R-2, one is zoned M-OF, 3 are zoned M-N, and one is split between R-2 and M-OF. Both owner-occupied units are zoned R-2. The M-OF lot is undeveloped at time of writing. The M-N is currently being used as a beauty store. The 19 rental units, per the UDC definition of "family" and the R-2 zoning, are permitted to be occupied by up to 4-unrelated individuals each.

- (D) Adequate access is provided and is designed to prevent traffic hazards and minimize traffic congestion;**

The site is accessed from Third Avenue via a traditional driveway approach. Third Avenue is a residential street with sidewalks along both sides and permits on street parking. The site has adequate on-site/off-street parking to meet the regulatory requirements for use as an STR. The design of the parking and the site's access is consistent with other residential development within the area and is believed sufficient to support future traffic generation without compromising public safety.

- (E) Sufficient infrastructure and services exist to support the proposed use, including, but not limited to, adequate utilities, storm drainage, water, sanitary sewer, electricity, and other infrastructure facilities are provided; and**

The site is sufficiently served with public infrastructure to support its use as an STR. There are no known infrastructure capacity issues associated with the site that would be negatively impacted by approval of the CUP.

(F) The proposed conditional use will not cause significant adverse impacts to surrounding properties.

19 of the 21 parcels within 185-feet of the subject site are used for rental purposes. The structures located on these parcels are zoned R-2 and are legally permitted to have up to 4-unrelated individuals living within each dwelling unit. Approval of a CUP allowing the subject dwelling to be used as a 210-night STR with a maximum of 4 transient guests is the same level of intensity as adjacent owner & rental occupied single-family dwellings, therefore there is no evidence to suggest that such usage would create adverse impacts. The dwelling has been used since June 2024 as an STR and has been used within 2024 for approximately 45-nights without apparent incident or complaint.

If the CUP is approved, potential negative impacts can be mitigated through the adopted regulatory provisions which provides a means by which to report and address those impacts including fines and revocation of the STR Certificate of Compliance. Furthermore, the subject site has a fenced-in rear yard and parking sufficient to accommodate the required on-site/off-street parking outside the public right of way.

Sec. 29-6.4(2)(iii) Supplemental STR CUP Review Criteria:

(A) Whether the proposed STR is used for any part of the year by the registrant as a residence. If so, for how long?

The owner has stated that the proposed dwelling would not be used by them as a residence any part of the year.

(B) Whether or not there are established STRs within three hundred (300) feet of the proposed STR measured in all directions from property lines “as the crow flies.”

The owner indicates that they are unaware of other established STRs within 300 feet of the subject dwelling. Staff reviewed the websites of AirBnB, VRBO, Booking.com, and Furnishedfinders.com and identified no additional STR properties within the 300-foot radius at time of writing this report.

(C) Whether the proposed registrant has previously operated an STR and if such operation has resulted in a history of complaints, a denied STR certificate of compliance, or revocation of an issued STR certificate of compliance.

The owner has stated that the dwelling has been operated as an STR since June 2024 and that there have been no complaints. A review of our records regarding this property supports this claim.

(D) Whether the proposed STR will increase the intensity of the use of the property and cause increased traffic or noise coming from the property.

The owner has responded “false” to this question. As a general staff observation, using the subject dwelling for transient accommodations for 210-nights annually could result in increases; however, how significant is unknown.

The significance of possible impacts is subject to many factors such dwelling unit desirability, pricing, rental occupancy, etc. The current regulatory structure provides standards allowing for monitoring and mitigation of possible negative outcomes. No reviews have been written on Furnished Finders at time of writing. In 2024, the STR has been operated for 45-nights. This level of use has not generated a complaint on record.

(E) Whether there is support for the establishment of the proposed STR from neighboring property owners.

The owner answered “false” to this question. No correspondence has been received in support or opposition to this request.

CONCLUSION

Given the submitted application and the analysis of the criteria stated above, it would appear that granting a conditional use permit to allow 206 Third Avenue, Unit 100 to be operated as a short-term rental with a maximum of 4 transient guests and rental usage up to 210-nights annually would be appropriate. The property is located within a neighborhood containing primarily rental-occupied dwellings (19 of 21 structures) of similar size and bedroom mixture.

The subject dwelling unit has operated since June 2024 as an STR. Approval of the CUP would grant “legal status” to this use and afford neighbors as well as the City additional regulatory tools to ensure compliance with the adopted standards governing STRs. Authorization of the CUP is not seen as being detrimental to adjacent properties and would fulfill several policies, strategies, and actions of the Columbia Imagined Comprehensive Plan.

RECOMMENDATION

Approve the CUP to allow 206 Third Avenue, Unit 100 to be operated as a short-term rental subject to:

1. Maximum occupancy not to exceed 4 transient guests
2. Maximum of 210-nights of annual usage

ATTACHMENTS

- Locator maps
- STR Application
- Supplemental “Conditional Accessory/Conditional Use Questions”
- Public Correspondence

HISTORY

Annexation date	1905
Zoning District	R-2 (Two-family Dwelling)
Land Use Plan designation	Residential District
Previous Subdivision/Legal Lot Status	GUITAR PARK ADD E 49' LOT 37

SITE CHARACTERISTICS

Area (acres)	0.14 acres
Topography	Flat
Vegetation/Landscaping	Grass, trees, and natural ground cover
Watershed/Drainage	Flat Branch
Existing structures	Duplex

UTILITIES & SERVICES

All utilities and services provided by the City of Columbia

ACCESS

Third Avenue	
Location	Along northern edge of property
Major Roadway Plan	Residential street
CIP projects	N/A
Sidewalk	Installed

PARKS & RECREATION

Neighborhood Parks	Douglass Park, Downtown Optimist Park
Trails Plan	None
Bicycle/Pedestrian Plan	None

PUBLIC NOTIFICATION

34 “public hearing” letters were mailed distributed with respect to this matter. 31 letters were sent to property owners and tenants within 185-feet of the subject property. 2 letters were provided to City-recognized neighborhood associations within 1000-feet of the subject property and 1 letter was provided to the Council Ward representative. All “public hearing” letters were distributed on 3/3/2025. The public hearing ad for this matter was placed in the Tribune on 3/4/2025.

Public Notification Responses	N/A
Notified neighborhood association(s)	North Central Columbia, Ridgeway
Correspondence received	N/A

Report prepared by: Kirtis Orendorff

Approved by: Patrick Zenner