Planning and Zoning Commission Work Session Minutes May 8, 2025 Conference Room 1A & 1B - 1st Floor City Hall

Call to Order

Commissioners Present – Brodsky, Geuea Jones, Loe, Ortiz, Placier, Stanton, Walters, and Williams Commissioners Absent – Wilson Staff Present – Craig, Kunz, Halligan, Orendorff, Palmer, Teddy, Zenner

Introductions

None

Approval of Agenda

Meeting agenda adopted unanimously.

Approval of Minutes

The April 24, 2025 work session minutes approved unanimously.

New Business

A. Short-term Rentals - UDC Amendments Discussion

Mr. Zenner introduced the topic indicating that what was distributed to the Commission was reflective the changes discussed at the prior work session and was significantly "cleaned" up to make the changes easier to follow. He reiterated that the changes proposed in the Tier structure removed the distinction between the two types of STR operators and provided for a single number of available rental nights within Tier 1 (formerly Tier 2). Mr. Zenner stated he and Mr. Craig had discussed given these changes that modifications to the definitions were appropriate as it was no longer necessary to draw the distinction between "a principal residence or not a principal residence".

There was also discussion about the necessity of retaining the M-OF, M-N, M-C, and M-DT districts within both levels of Tier 1 as it may appear confusing to an applicant given the same districts were listed in Tier 2. It was noted that if someone had a dwelling in one of these districts and desired to avoid triggering a CUP they would just seek to have the dwelling licensed as a Tier 2 365-day STR since the tier did not include conditional use triggers. Mr. Zenner noted that this could be an outcome and questioned if applying conditions similar to those in Tier 1 within Tier 2 was really needed given dwellings in these zones are often considered a "holding" use of the property. He further noted that to do so would significant alter the intent of Tier 2 (presently Tier 3).

After lengthy discussion about the proposed Tier structure and discussion of potentially reintroducing present Tier 1 with modifications on the maximum number of allowable nights of usage, the Commissioners concluded that leaving the M-OF, M-N, M-C, and M-DT districts in the proposed Tier structure was acceptable. Commissioners acknowledged the potential for some operators to seek a Tier 2 licensure when their dwelling was in M-N and M-C zoning to avoid triggering a CUP could occur, but also noted that a 365-day STR in the M-OF district within that Tier 2 already requires a CUP. Given this provision coupled with the added CUP criteria within proposed Tier 1 there was a sense that possible incompatibilities could be addressed. It was further acknowledged that the M-OF district had the greatest likelihood of having dwelling, any kind, seeking licensure as an STR versus the M-N, M-C, or M-DT districts.

Having resolved if the office and commercial districts needed to remain in both proposed Tiers, Mr. Zenner noted that the Commission needed to complete its discussion the proposed CUP "triggers". There were several Commissioner questions with respect to items "a" and "b".

Mr. Zenner explained the reason for choosing "approved and/or fully licensed" short-term rental dwellings within 300-feet and not simply the presence of an STR within 300-feet was made in light of the fact that an unlicensed STR may cease to operate once found and notified as being non-compliant. The language proposed does not penalize an operator seeking to become legal by those STRs operating illegally. The unlicensed STR operator would be the one negatively impacted when they came to obtain a license given their complacency. Furthermore, Mr. Zenner noted that based on information being provided by Neighborhood Services staff who have contact regularly with rental/STR operators, many operators have stated that they intend on ceasing their STRs operations following the June 1 licensure deadline and would be converting their dwellings to "mid-term" rentals.

With respect to what staff meant by "STR operational complaints" within item "b", Mr. Zenner responded that this was intended to include noise, trash, occupancy or other complaints typically filed with the City with respect to dwelling units. These types of complaints are what staff is currently reporting out within its CUP staff reports, but given the changes in the proposed Tier structure evaluating these factors to determine if a future licensure should or should not be "administrative" is why the "trigger" was added. It was noted that the term being used was confusing. It was recommended that it be changed to simply "code violations". Mr. Zenner indicated the change was being made as part of the Commission present review.

Finally, the Commissioners considered the final CUP "trigger" which dealt with the issue of proximity to a school. There was significant discussion this matter and it was expressed that retaining it may result in it not being considered acceptable once the amendments were forwarded to City Council given its potential for being seen as not necessarily serving a legitimate governmental purpose. There was discussion on how having such a trigger would potentially eliminate significant portions of the housing stock from being capable of obtaining an STR license. There was also discussion about what types of evaluation would the Commission expect to be provided by staff with respect to the matter.

Commissioners noted that what was being considered was just a "trigger" for a CUP not a final determinative factor that would result in approval or denial of a CUP request. Commissioners expressed concerns that if the provision were left out there may be unintended impacts upon why the school was located where it was. Commissioners noted that the it was curious that the School District had not offered comments on the several proposals that had come forward near their facilities. Mr. Zenner noted that it was not typical practice of the School District to insert itself into these types of decisions.

Mr. Zenner noted that inclusion of this "trigger" was simply a response to the Commission's prior expressed concerns, but without greater understanding of how this would be evaluated it was viewed as problematic given staff could not explain to applicants what the underlying purpose of it was. He urged the Commission to consider potential expansion of evaluation criteria in the "Supplemental CUP Questions" form that would address these concerns. Following additional limited discussion on this matter it was decided that the "trigger" would remain as proposed and its ultimate inclusion in the future regulations would be at the discretion of City Council.

The final topic that was discussed within the context of possible triggers for a CUP would be the availability of on-site/off-street parking. Inclusion of this standard was seen as being worthwhile to allow a principal resident the ability to seek licensure for a greater number of occupants that would otherwise be allowed given the minimum parking standards established by the regulations. This provision was intended to "bridge" the gap in licensure opportunities that were being lost by elimination of current Tier 1 which does not include a parking requirement.

Mr. Zenner noted that text associated with this "trigger" would be incorporated into the proposed "final revision" draft. There was significant discussion on the topic with several Commissioner indicating that parking should be required for all STRs while other stated that not creating an avenue for relief would eliminate many of the dwellings within the central city from being able to participate in the STR marketplace. Mr. Zenner noted that everyone has the potential to participate in the STR marketplace; however, the intensity of their participation with respect to number of transient guests may be more restricted than others.

Having discussed all the proposed "major" changes, Mr. Zenner noted that the regulatory language would be revised to incorporate the changes discussed during the work session and to reflect changes Mr. Craig and the Law Department believed were appropriate to simplify the standards.

Adjournment

Meeting adjourned at 7 pm.

Actions taken:

Motion made to approve the agenda as submitted by Commissioner Brodsky and seconded by Commissioner Placier. Motion made to approve the April 24, 2025 work session minutes as presented by Commissioner Placier and seconded by Commissioner Loe. Chairman Geuea Jones noted that Commissioner Brodsky had indicated interest in serving as the "interim" Secretary following Commissioner Williams departure. She asked if there was anyone else interested in the position. Hearing no objections, it was concluded that Commissioner Brodsky would serve in the secretary role until general Commissioner election in September/October.