

Date: March 20, 2025

To: Planning and Zoning Commission Members

From: Patrick R. Zenner, Development Services Manager

Re: STR Regulation Amendments

At the April 7, 2025 Council meeting, the attached report was presented providing a summary of compliance and administrative impacts associated with the implementation of the city's short-term rental regulations. The report was in response to Council's February 5, 2024 request following the adoption of the STR regulations that staff provide a 1-year "in review" summary of STR activities. Based on the observations and recommendations presented in the report, Council directed staff to engage with the Planning and Zoning Commission to produce necessary text to facilitate the following regulatory changes:

- 1. Eliminate the "Tier 1" designation.
- 2. Revise the ordinance structure to establish two Tiers with a single rental night limitation per Tier.
- 3. Reconsider when a conditional use permit (CUP) is required. The report recommended a CUP be required if **any** of the following circumstances where found/triggered by the STR application:
 - a. Open code violations or documented STR operational complaints; or
 - b. 3 or more licensed STRs are within a 300-ft radius; or
 - c. An STR is proposed within a 1000-ft radius of a school

The identified revisions were believed timely given the lack of regulatory compliance, the number of probable future applications for compliance, and the amount of time expended by the staff, Commission, and Council on each individual application. Council member comments appeared to express a desire to prepare and process revision text as soon as possible given the pending June 1 "full" regulatory compliance deadline.

Given this direction, the attached amendments have been prepared for discussion. While robust discussion is likely and welcomed at the upcoming work session, please note that multiple rounds of "refinement" discussion are not being sought. These revisions represent what is believed necessary to reduce ordinance complexity, enhance compliance opportunities, and achieve efficiency in staff, Commission, and Council efforts on this topic. Recommended changes will be collected at the upcoming work session and a follow-up work session will be scheduled for May 5 for final discussion after which a public hearing will be scheduled.

Should any Commissioner have questions, please do not hesitate to contact me.

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