Planning and Zoning Commission Work Session Minutes August 10, 2023 Conference Room 1A & 1B - 1st Floor City Hall

Call to Order

Commissioners Present – Carroll, Dunn, Ford, Geuea Jones, Loe, MacMann, Placier, Stanton, Wilson Commissioners Absent – None Staff Present – Teddy, Thompson, and Zenner

Introductions

Approval of Agenda

Meeting agenda adopted unanimously.

Approval of Minutes

July 20, 2023 work session minutes adopted with the following revisions:

- 1. The Commission expressed frustration with the quality of the engagement tool. They found little value in the question portion, but appreciated the long-form comments
- 2. The Commissioners discussed each section of the ordinance at length before voting on whether to leave the section as written or request changes from Legal department staff.

New Business

A. Short-term Rental Regulation Follow-up & Amendments

Ms. Thompson provided an overview of the proposed regulatory changes that were discussed at the July 20 meeting which focused on the revisions to address the removal of "secondary residence" from the tiers as well as changes made to correct terminology associated with confusion on the number of days a dwelling could be used as an STR. The term "offered" was changed throughout the ordinance to "rented".

Ms. Thompson also explain the changes made to Tier 2 as it related to accommodating non-principal residents with the ability to utilize a dwelling as an STR within the A, R-1, R-2, R-MF districts via a conditional use. Additionally, there was discussion of other minor technical changes to terminology within the "Supplemental use-specific standards".

Follow Ms. Thompson's overview of the changes the Commission pivoted to discussing concerns with the ordinance given recent legal challenges within the 5th and 9th Judicial Districts. The discussion focused on the manner in which the regulations referred to a dwelling used for STR purposes as having to be the primary residence of an **owner or authorized tenant**. Ms. Thompson noted that based on the current case law, a greater level of exposure may exist if the regulations were to make this distinction than if both owners and tenants were treated equally and suggested that they all be considered "principal residents". She noted that the current construction of the ordinance which created a distinction between "principal residence" and "non-principal residence" may be acceptable as a regulatory means to ensure that one class of owner be subject to a different approval process.

There was significant discussion relating to this matter. The Commission agreed and approved in a 9-0 vote that treating owners and tenants equally was appropriate and asked Ms. Thompson to look at a better way of referencing "principal resident" since it was confusing when also having to reference "principal residence". Ms. Thompson indicated she would look at ways to separate these terms for enhanced ordinance clarity.

There was discussion of leaving the ordinance structed as three (3) Tiers. Commissioner's explained that the purpose of the first Tier was to create a low-bar of entry into the STR licensure process and that by leaving the tiers as structured it made greater sense. Commissioner Stanton spoke passionately relating to this matter indicating that the tier structure was what had been discussed from the beginning and that they shouldn't be considered for

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change but rather voted upon and moved forward to public hearings. He further stated that he was not afraid to upset the public by the regulations and their structure and that the Commission was trying to be too accommodating in its drafting of the regulations.

There was also discussion of the use of term affordable and attainable housing in the context of the STR regulations. Concern was expressed that the terms were being conflated. Affordability and attainment of housing, while related are different things. The Commissioners discussed how research has shown that affordability as well as attainment are both impacted when STRs are unregulated.

There was discussion relating to the research that staff had performed on the variations in the parking requirements within the proposed regulations and those applicable in overlay zones or the M-DT district. It was noted that the Commission could, via the use-specific standards, create alternative parking requirements. Staff advised that this may not be appropriate given the existing regulatory structure as doing so may negatively impact parking standards established by an overlay (i.e Benton-Stephens) or create undesired excess parking in the M-DT. After discussion, the Commissioner's voted 8-1 to direct the Legal staff to revise the proposed regulations to create an exception to the proposed parking standards applicable in Tier 2 and 3 when such a dwelling was within an overlay zone or the M-DT district. Ms. Thompson indicated she would work to craft text for the Commission's consideration.

Additional discussion was entertained on the possible increase in the total number of rentals days available to a principal resident in their principal residence beyond the current limitation of 120 days to address comments/concerns expressed during the July 24 joint Council-Commission work session. There was significant discussion on this topic and it was generally agreed by Commissioners that such a change was not necessary. It was discussed that other options for owners or tenants to make money to afford their living arrangements existed.

There was also discussion on the potential of expanding the provisions proposed to accommodate operators who had more than one pre-existing STR. There was general discussion on this topic and the Commission concluded that the current provisions which would now allow a non-principal resident a single licensure within the A, R-1, R-2, R-MF districts was sufficient.

Having reached the end of the meeting the Chair asked what the next steps forward would be. Mr. Zenner noted that Ms. Thompson would work on the revisions discussed this evening and the Commission would review those changes at the August 24 work session. As determined at the July 24 work session the Council is to receive a report on the Commission revisions at their October 2 meeting after which, if directed, the regulations would be put out for public review and a hearing or hearings before the Commission would be scheduled.

The Chair acknowledged that process and noted that the Commission needed to wrap up discussion on the proposed STR regulation so they could move on to other equally pressing matters.

ADJOURNMENT

Meeting adjourned at 6:58.

ACTION(S) TAKEN:

Motion made by Commissioner MacMann, seconded by Commissioner Loe to approve the agenda as proposed. Motion made by Commissioner MacMann, seconded by Commissioner Loe to approve the July 20, 2023 work session minutes as amended with Commissioner's Carroll and Placier abstaining.