# Planning and Zoning Commission Work Session Minutes February 10, 2022 Conference Room 1A & 1B - 1st Floor City Hall

#### Call to Order

Commissioners Present – Kimbell, Carroll, Stanton, Geuea-Jones, Loe, Rushing, Placier, Burns, and MacMann Commissioners Absent – None Staff Present – Thompson, Zenner

### **Introductions**

### **Approval of Agenda**

Meeting Agenda adopted unanimously.

# **Approval of Minutes**

January 20, 2022 work session minutes adopted as presented.

#### **Old Business**

## A. Short-term Rental Regulations – Revised Ordinance Outline, Tier One Standards, Permitted Use Table

Mr. Zenner introduced the topic and explained the changes made between the last work session and the current meeting. He noted that he had prepared a "draft" permitted use table showing the inclusion of "Short-term Rental" as a use within table as was discussed at the end of the last meeting. He further explained that he pre-populated the district categories with one of three different types of letters – "P" for permitted "by-right" uses, "C" for conditional uses, or "A" for accessory uses based on his general understanding of the desires of the Commission from their prior discussion. Mr. Zenner provided an explanation of what each letter designation meant in terms of the UDC's Permitted Use Table definitions.

He explained that upon reviewing the UDC definitions, the "CA" designation (conditional accessory use) discussed as an option at the last work session was in fact not applicable given how the Commission desired to approach the STR use. This was due to the fact that a CA use was only applicable in instances where a primary use of the land was permitted via an approved conditional use. In all instances that the Commission was considering, an STR would be allowed as either "P", "C" or "A". The most common scenario would be that the use would be a "C" or "A" use given the primary use of the lot would be for single, two, or multi-family residential dwellings.

Prior to engaging in additional discussion on the Permitted Use Table, Mr. Zenner noted that he had engaged in discussion with the Building Department on their thoughts regarding owner occupancy of a dwelling unit during any portion of its use as an STR. Mr. Zenner stated that Building Regulation Supervisor's opinion was that such occupancy was not required of any single or two-family structure used for STR purposes. He further read the definition of "dwelling" from the IRC emphasizing that there was no reference to a requirement for owner-occupancy within single or two-family dwellings when rented, leased, let, or hired out.

There was discussion on how this opinion appeared to conflict with prior communications referencing "lodging house" that required an owner-occupant to be present when five or fewer guest rooms were

rented out to 10 or fewer guests. Mr. Zenner noted that the opinion offered did not conflict with the prior communications and that the Building Regulation Supervisor still agreed that a structure permitted as a "lodging house" would require an owner-occupant for it to legally be rented.

He noted that "lodging house" and STR were viewed as completely independent uses and that a definition for STR would need to be established to ensure sufficient zoning provisions were established to govern them. Mr. Zenner noted that this was his understanding of why the Commission and staff were preparing the proposed regulations. There was discussion on the desire to avoid creating multiple and conflicting definitions between the Building Code and the Zoning Ordinance.

As part of the ensuing discussion many topics were discussed and it was generally concluded that the maximum bedroom and occupant provisions of the Building Code relating to "lodging houses" could be used as the general parameters by which an STR would be regulated. Mr. Zenner offered a simplistic definition of STR and noted that within each category of STR (accessory or "Guest Accommodation") use-specific standards that did not conflict with the Building Code provisions for "lodging house" could be created. The basic idea was that more restrictive standards to limit STR impacts were permissible, but avoiding out-right conflicts with what was regulated by the IRC (International Residential Code) should be avoided at all costs. Anything containing more bedrooms or accommodating more guests than the IRC provisions for "lodging house" would force such a structure to comply with the more stringent requirements (i.e. sprinklers, emergency access, etc) of the IBC (International Building Code).

Having addressed the issue of the opinion relating to owner-occupancy of single or two-family dwellings, the Commission discussed the classifications ("P", "C", "A") for STRs in the "accessory" use section of the Permitted Use Table. There was concern expressed that allowing such uses to occur without the presence of an owner may not address negative impacts upon adjoining residential uses. There was also concern expressed about the fact that the details associated with maximum occupancy or bedroom use was not clearly defined. Without these issues being fully vetted some Commissioners were uncomfortable in classifying where an STR should be allowed as an accessory use to the principal single, two, or multi-family dwelling.

Several Commissioners noted that the additional restrictions would be developed as the next step in the regulatory drafting process. It was stated that the primary focus at this moment was to identify in what zoning districts an STR was believed to be a compatible uses with the primary residential dwelling. Following additional discussion, a motion was made to approve the proposed use categorizations as shown in the Permitted Use Table attached to the agenda. The motion was approved 8-1, with Commissioner Burns voting no.

# B. Short-term Rental Regulations – Proposed Definitions

There was discussion on the adoption of several definitions during the course of the meeting for the purposes of adding clarity to how individual "use-specific standards" would be applied to the different categories of STR (i.e. accessory or "Guest Accommodation). There were questions asked if the definitions being considered were to only apply to the first category of STR approved (accessory) or if the definitions would be applicable to all categories. Mr. Zenner explained that the definitions would be application to all categories.

A motion was made to adopt the definition for "Short-term Rental" that was proposed by Commission Geuea-Jones. There was discussion regarding the wording in the definition regarding the phase "**not more** than 30 days". Several Commissioners questioned the phase and sought clarification on the motion and definition to be considered since there was a similar definition presented in the staff's compilation of definitions.

Mr. Zenner explained that the definition offered by the staff was the same as that prepared for consideration in the original STR ordinance from 2019. He noted that the phase in question in the staff's definition referenced "less than thirty-one (31) days". He stated that this language was prepared to match the definitions provided in other City ordinances dealing with lodging and taxes. Mr. Zenner noted that whichever definition the Commission wanted to adopt would be acceptable and could be "tweaked" prior to adoption if necessary to ensure cross-consistency among the several codes that could be impacted.

Commissioner Carroll noted that the phrases in question said the same thing and it was really a matter of semantics. After additional discussion the Commission moved to approve the definition for STR as presented in the staff's definition list from their December 30, 2021 memo. The motion was approved by a vote of 9-0.

There was additional discussion on the adoption of a definition for "Owner". Mr. Zenner pointed out that this would be critical as the categories of STR (accessory or "Guest Accommodation") would rely on a clear understanding of this aspect. He noted that the definitions provided in the staff memo from December 30, 2021 offered several different options listed A-F; however, he felt that focusing on options A-E were more relevant given option F was a two-part definition and focused on a topic of "primary residence" which, up to this point, had not been fully discussed with the Commission.

Mr. Zenner noted that the first definition was an adaptation from the 2018 International Building Code (IBC) definition for owner with some modifications to include provisions that were previously discussed by the Commission. He further stated that the IRC did not define the term "owner". The adaptations were to provide recognition that a "tenant" could be considered an owner.

There was significant discussion on this definition. Concerns were expressed that it was not sufficiently narrow to address possible issues with investor operations and that it may not be fully accurate to the IBC definition. There was discussion of using Option F (permanent resident) in lieu of term "owner". There were also questions asked that if this definition would be applicable to all STRs or if it would only apply to those classified as accessory. Mr. Zenner noted the intent was to have it applicable to all STRs and that through use-specific standards limitations could be create that more narrowly defined how an owner could use a dwelling for STR purposes.

Following additional discussion, the Commission made a motion to adopt the Option A definition of "owner" as presented in the December 30, 2021 staff report. This motion failed to garner support of the Commission. It was noted that the Commission would continue its discussion on the other definitions of "owner" at the upcoming February 24 work session.

### **ADJOURNMENT**

Meeting adjourned approximately 7:00 pm

# **ACTION(S) TAKEN:**

Motion made by Commissioner Geuea-Jones, seconded by Commissioner Kimball, to approve the agenda as presented. Motion passed unanimously. Made motion by Commissioner Geuea-Jones, seconded by Commissioner Kimball, to approve the January 20, 2022 work session minutes as presented. Motion passed unanimously.