



Planning Commission Minutes  
Thursday, February 1, 2024 – 4:00 PM  
City Hall Council Chambers, 520 E. Cascade Avenue, Sisters, OR 97759

Acting Chairman: Cris Converse  
Commissioners: Jeremy Dickman, Sarah McDougall, Rick Retzman  
Absent: Jeff Seymour, Art Blumenkron, Tom Ries  
City Staff: Scott Woodford, Community Development Director, Matt Martin,  
Principal Planner, Emme Shoup, Associate Planner  
Recording Secretary: Carol Jenkins, Recording Secretary

I. CALL TO ORDER / DETERMINATION OF QUORUM / ADOPTION OF AGENDA

*Acting Chair Converse* called the workshop to order at 4:00 pm.

A quorum was established.

Adoption of Agenda – February 1, 2024.

*Commissioner Retzman* made a motion to approve the Agenda for February 1, 2024, as proposed.

*Commissioner Dickman* seconded. Motion passes.

II. VISITOR COMMUNICATION

There were three (3) attendees over Zoom.

- Aaron Carpenter – pass.
- Curtis Cook – wanting more inspections and maintenance done on the STR properties.
- RM – pass.
- Eric Strobel – pass.

III. WORK SESSION

A. Short-Term Rental Program Analysis (continued).

*Planner Martin* stated that this workshop is to present additional data and analysis of the current Short-Term Rental program and potential amendments. The Council and Commission were in general agreement that changes to the program should be considered, including increasing the concentration limit and limiting transferability to new owners. Staff finds it noteworthy that the Commission also identified increasing the minimum number of days rented as another change to consider. Before pursuing any formal action, both the City Council and Planning Commission requested additional data and analysis to better understand the impacts of the current STR program and potential changes.

*Planner Martin* gave the background of the Short-Term Rentals stating that in 2023/24 the City Council Goal was to evaluate the Short-Term Rental Code language to mitigate adverse impacts on the community for the availability on housing units for long-term occupancy and nuisances created by STRs. Previous workshops were held on 9/13/23 for the City Council and 10/05/23 for the Planning Commission discussing Regulatory Framework, Regulatory Impact, Next Steps with 01/24/24 with City Council. In response, staff has addressed the following aspects of the current and potential changes to the STR program:

- Deschutes County Sheriff STR Call Data
- STR Owner/Operation Survey Results
- Analysis of Increasing Concentration Limits

*Planner Martin* gave an overview of the Deschutes County Sheriff Call Data, Owner/Operator Survey Results, and an Analysis of Increasing Concentration Limits.

Deschutes County Sheriff Call Data:

- October 2018-2023 a total of 30,608
- Calls to STR Properties:
- Calls to Individual STR Properties – None
- Number of Properties – 49
- 258 Calls to STR Properties \*65 related to known long-term tenant.
- 193 Net Calls to STR Properties
- .06% Total Calls

*Acting Chair Converse* asked what the boundaries are for these calls, and if this information are calls directly from Sisters Country, or within the city limits, etc.

*Planner Martin* stated that when looking at these calls versus the total number of calls – it is all related to calls within the city limits of Sisters. All the 193 of the are those Short-Term Rental properties within the city limits, and when comparing that to the total number of calls to the City of Sisters, those 30,000 are all within the city limits. Acknowledging that of the overall calls less than one percent are related to the Short-Term Rental properties. Again, wanting to emphasize that we do not know if it is related to the actual occupants or the operation of the Short-Term Rental.

*Planner Martin* stated that the types of calls as expected are noise, parking complaints, loose animals, disputes, welfare checks, and suspicious behavior. Also compiled and noting that the overall number of calls to individual properties during that timeframe and noting that the large majority were less than four (4) and many of which received no complaints related to those calls.

*Commissioner Retzman* asked if this seems to be a non-issue when it comes to the Sheriff's calls and the Short-Term Rental properties here in Sisters.

*Planner Martin* stated that it is a takeaway as one component of this and is worth noting that the City Council members did note that this takes someone being compiled to call the Sheriff's office and rise to the level to reach out to law enforcement due to an issue. In many cases, they may reach out to city staff, of which was noted in the three (3) years of receiving 10 code enforcement complaints is a relatively low number. We are limited by our tools and the

threshold of how individuals will respond, but based on the data that is available it is relatively a low number.

Owner/Operator Survey Results:

- December 2023 – 122 Survey Invitations – 59 (48%) Responses Received.

Notable Results:

- 89% own only one (1) STR in the City of Sisters.
- 63 % live in Central Oregon.
- 45% rent the whole unit.
- 37% rent primary residence.
- 47% of occupancies are in the summer.
- 39% of renters are vacationers followed by 21% are traveling workers.
- Most renters are vacationers, followed by traveling workers.
- Occupancies are year-round with highest in the summer.
- Challenges to Renting Long-Term – Personal use of the property, cost/revenue, tenant issues/property damage, Landlord-tenant laws.
- Incentives to Renting Long-Term – Tax incentives, cash incentives, waive minimum rental requirement to retain STR Operating License.

*Planner Martin* wanted to go on record by thanking those that participated and engaged in that process. Clearly there was an interest, and it was a real opportunity to engage with those owner/operators as we initiated this conversation and will continue it to potential and formal actions and making changes to the program.

Analysis of Increasing Concentration Limits:

- Current Standards – 250-Ft. Concentration Limit Buffer:
- Residential, Residential Pine Meadow Village, Multi-Family Residential, North Sisters Business Park, Sun Ranch Residential.

No Concentration Limit Buffer:

- Downtown Commercial
- Highway Commercial
- Condominiums (any zone)

*Planner Martin* gave visuals (mapping) of the Analysis of Increasing Concentration Limits for a 250-Foot Concentration Limit and 500-Foot Concentration Limit.

- Eligibility Impact – 500-Ft Buffer in Residential Districts:
- Residential District 14% Eligible = 311 Lots (110 fewer)
- Multi-Family Residential District 18% Eligible – 389 Lots (144 Fewer).

Note: Does not account for HOA / CC&Rs. We do know that there are some neighborhoods that prohibit Short-Term Rentals. The city does not have jurisdiction or responsibility to enforce those CC&Rs, but that is a factor when looking at the accumulative number.

Applying Buffer in Commercial Districts:

- Downtown Commercial Districts:
- 250-Ft Buffer = 47% Eligible
- 500-Ft Buffer = 11% Eligible

City Council Input:

Evaluation of Existing Standards:

- Expand concentration limit from 250 feet to 500 feet.
- Do not apply concentration limit to Commercial Zone Districts.
- Apply concentration limit to condominiums.
- Increasing minimum required number of days to be rented.
- Limit transferability of pre-existing STRs.

With all of this, we need to do a detailed legal analysis to look at the potential implications. This one may be challenging, but we are exploring it noting that the pre-existing Short-Term Rentals are identified as a non-conforming use or a vested right of that property. Therefore, if that non-conforming use continues in operation without abandonment, then you are allowed to continue with that operation and transfer to future owners.

Evaluation of Other Standards and Actions:

- Prohibit Short-Term Rentals in Urban Growth Boundary expansion/annexation areas under the notion that those housing units are there to provide housing within the community to meet the need that has been identified in our Housing Needs Analysis. That prohibition of Short-Term Rentals would reserve that long term occupancy.
- Moratorium on Short-Term Rental permits while changes are under consideration. This would be an action by the City Council and the idea is that we put that 'pause' to get the analysis complete and make sure that we are not going down a path with unattended consequences while doing this study. That does come with additional legal analysis, and we will be bringing that back with more information.

*Acting Chair Converse* stated that clearly the City Council wants there to be way fewer Short-Term Rentals here in town. She asked if they thought it would help with the housing needs for people with middle income, what is driving that specifically, and what are they hoping the outcome is if they are eliminated.

*Planner Martin* stated that the goal here is to limit the increase in the number of units and not necessarily eliminate Short-Term Rentals. It goes back to the goal with concern of the availability of housing for long-term occupancy and the known or perceived nuisances associated with Short-Term Rentals – the livability factor and the impact on neighborhoods.

*Commissioner Retzman* asked if there has been any analysis done to show that if the number of Short-Term Rentals are reduced that those would transfer to be long-term rentals, etc., and if there has been any analysis done to see if that is going to be part of the answer to the housing issue.

*Planner Martin* stated that is the most valuable data that we do have available and if we limit the opportunities for Short-Term Rentals, then there would need to be some type of residential use either as their primary residence, a long-term rental, or their vacation or second homes. There is no guarantee that it would be available or used for long-term occupancy, but not limiting the Short-Term Rental potential would be available potentially for something different.

*Commissioner McDougall* stated that she thinks that everyone should have the opportunity to rent a room in their house if they want to. She asked if there was an opportunity to distinguish between somebody renting a room in their house for three (3) nights versus their whole house.

*Planner Martin* stated that in doing his research with other jurisdictions and how they address these concerns, there is the concept of hosted Short-Term Rentals meaning that you are only renting the primary residence, or that you are on-site during that rental situation as a room in the home, or an accessory dwelling unit, etc. and you would remain on-site. That is a concept that others have utilized to address their concerns within those communities.

*Director Woodford* stated that there are examples of that with the City of Bend that allows for 30-days or less out of the year. You still need a permit for those people renting out their homes while they are gone on vacation. They are not subject to the buffer requirements so they can do it on a small-scale basis. There is an opportunity to create some tiers if that is the direction that the City Council and Planning Commission want to go into.

*Commissioner McDougall* stated that in reading through the answers in the survey, there are people who use it to have enough income to be able to afford to live here. She thinks that makes a lot of sense and sees how the impact would be less than having a full-time long-term rental/roommate in your home. It would be worth looking into different ways of looking at the data – under the evaluation of other standards and actions that prohibit STRs in Urban Growth Boundary expansion and annexation areas. It's not the idea of having houses dedicated to being a Short-Term Rental, but if it meant that someone would be able to afford to buy there, that is different.

*Commissioner Dickman* stated that it looks as though there are people that live in their Short-Term Rental, which is interesting, and not necessarily a home that is going unoccupied unless there is a short-term vacationer there. The one that caught his eye is the Council wanting to apply the concentration limit to condo's, which is the second most rented Short-Term Rental outside of a single-family dwelling. A condo would be cheaper for someone to buy or rent long-term than a whole house in Sisters.

*Commissioner Retzman* stated that on page 24 of 28 in the comments – the last comment was talking about STRs serve a vital role to our tourism – Rodeo, Quilt Show, Folk Festival and is there some way to have STR's just for those weekends and not the rest of the year, etc. A limited use Short-Term Rental such as tiers as previously mentioned and be able to host those events here.

*Planner Martin* stated that maybe an identified window for those special weekends – such as a Temporary Use occupancy.

*Planner Martin* stated that he would like some consensus on the concept of hosted STRs, and we need to either have the owner present on site, a primary residence – the hosted on-site, or that it is occupied a certain percentage of the time knowing that it is available to rent when gone for the weekend or on vacation, but still limited to the 30-days that was mentioned earlier, or some other frame work like that. Maybe it is more in the concept of looking at ideas to provide opportunities for renting the primary residence.

*Commissioner Dickman* stated that the whole reason for looking at Short-Term Rentals as a potential problem is the lack of affordable housing, a lack of community, and both of those issues seem to be tackled by a rental that involves the primary resident still living in that home and renting it out when they are gone for the weekend, etc.

*Planner Martin* stated that the concept of applying the concentration limit to condo developments may be an affordable option for long-term, and looking to see if that is something worth continuing to explore.

*Commissioner Dickman* stated that he does not like the idea of pulling a license from somebody that currently has a Short-Term Rental condo – they bought it thinking they could have one and then going in and pulling the rug out from under them is not right.

A brief conversation by the Planning Commission regarding the possibility of not having Short-Term Rentals, applying the concentration limit increase to the non-owner occupied – not the primary residence, not applying the concentration limit to the downtown commercial, condo's, limiting the transferability, having a moratorium, and being very cautious of not takings, or with vested rights for the property, etc.

*Planner Martin* stated that with the concept of temporary event windows where it is more broadly allowed with a higher concentration limit with the Rodeo, Quilt Show, and the Folk Festival.

*Commissioner Retzman* stated that during those three (3) events that is where the businesses make 50 percent of their income during those three weekends, and that brings the tourism here to Sisters – and worded as such if the City were to come up with some other festival that could be brought into that as well to loosen up that language to allow for future events.

*Planner Martin* stated that he will bring some ideas back to see if they are workable, legal, and what those pros and cons are to further consider.

*Planner Martin* stated that all lodging units are subject to Transient Room Tax (TRT) here in the city limits, the rate that we have is 8.99 percent, and is a factor to consider related to revenue generated and utilized by the city. For 2022 and 2023, approximately \$260,000 in TRT were collected just for Short-Term Rentals.

*Director Woodford* stated that the (TRT) goes into the Affordable Housing Grant fund that we disburse every year.

*Acting Chair Converse* opened for public testimony at this time.

*Kurtis Cook, 750 Brooks Camp Rd., Cold Springs, Sisters, OR 97759*

*Mr. Cook* stated that most of the comments have been very positive about this agenda. He sees the concerns on both sides of this and just adding a couple of things as well to make sure we are keeping this moving and keeping the economy moving as well. There is more besides a one-story that meets the eye, and it is a great plan, but the concern is – we are limiting too much so the applicable taxes as well as the applicable opportunity for other vendors and opportunities can be profitable out there for people. People in Sisters rely on the vacationing

community as well. He asked if this is something that has been considered in going through this process. He asked to include inspections as well as safety opportunities for STRs.

*Planner Martin* stated that with a general overview within the Operators License criteria is an opportunity for an inspection by city staff with proper notice, and built in there are requirements for proper fire and safety provisions from fire extinguishers, smoke detectors, carbon monoxide, etc. Those opportunities for inspections are part of that through the renewal process or upon receiving a complaint or call of concerns, etc.

*Rick Murai*, 801 E. Hwy 20, Sisters, OR 97759

*Mr. Murai* asked about enforcement and there seems to be talk about a lot of changes and policies that require oversight and he is wondering how that is going to be enforced and what the financial and physical impacts are going to be for the city in reviewing all of this.

*Planner Martin* stated those are aspects of the program and any potential changes, we need to keep in mind with any policy making and financial, social environmental impacts with any of the changes. We are just having the initial conversation of what should be evaluated, and enforcement is a critical aspect of any regulation and permitting process. We do not want to explore or adopt standards that are difficult or impossible to enforce. Through our Land Use permitting and noting the Operator's License of the annual renewal that does have a lot of the reporting and confirmation that rentals are in compliance with those standards.

*Planner Martin* stated that we are now in fact finding of what we know, data collection, and ensuring and getting the impressions from City Council and Planning Commission. Next steps are to initiate a formal process and at that point we will develop any potential code language and evaluate those particular impacts.

*Director Woodford* stated that those are viable concerns, but concerns are the domain of the City Council – they oversee the community and are responsive to a wider variety of issues than just the Planning Commission who is responsible for looking at the Development Code and taking direction from Council. Those are good issues to bring up in the process once this progresses and something that they are best suited to weigh in on terms of potential reducing economic development, revenue, or increasing it, and the impacts to the Affordable Housing grant fund, etc.

*Kurtis Cook* stated that between the long-term tenants and short-term tenants – we have seen an extensive amount of damage for less than 10 properties that we have served that are long-term situations compared to 65 properties that we serve in the short-term basis by almost an appalling amount of damages seen last year close to 1.8 million dollars in damages to properties that are long-term. He stated that in his observations, the STR damages we have seen are less than \$10,000 damages in the year 2023 that we have experienced. We put our hands on the properties and make sure they are insured to be in the best condition possible, etc.

*Commissioner Retzman* asked for clarification in what Kurtis Cook said that there are ten times more damages done to long-term rentals than for short-term rentals.

*Planner Martin* stated that for acknowledging the group here and those in attendance, we are at the forefront of any review process. The next steps are scheduled to go back to the City Council for another workshop to provide the results of this conversation tonight as well as taking a deeper dive into those legal implications or considerations relative to that transferability restrictions and any kind of pause or moratorium and get those final thoughts before we move forward with any potential or actual changes to the code. He stated that his return trip to the Planning Commission will be more of a code writing workshop and draft some language followed by formal public hearings taking that recommendation from the Planning Commission and have a subsequent public hearing with the City Council for any formal adoption of those changes to the code.

*Commissioner Retzman* asked staff about part of the permitting process, and do we have anything built in there to ensure that we have an adequate number of accessible units – ADA type compliant Short-Term Rentals available, etc.

*Planner Martin* stated that he cannot speak to that with absolute certainty, but it is his understanding that these remain single-family dwellings with the rental component. Also, knowing that single-family dwellings are not required to follow ADA standards. If it is in a residential multi-family residential development – an apartment building, etc. there may be that component required as part of that development.

*Director Woodford* stated that we will hold a Planning Commission meeting on February 15, 2024, with another work session and the topic is Ethics Training. We do this as a refresher every year and will have our City Attorney, Garrett Chrostek to go over the Conflicts of Interest, Bias, Ex-Parte Communication, etc.

IV. STAFF AND COMMISSIONER COMMENTS

V. ADJOURN

*Acting Chair Converse* adjourned the meeting at 5:05 pm.

Respectfully submitted,

Carol Jenkins, Recording Secretary