



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

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

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

Vice Chairman Dickman called the workshop to order at 4:00 pm.
A quorum was established. Adoption of Agenda – April 4, 2024.
Commissioner McDougall made a motion to approve the Agenda for April 4, 2024, as proposed.
Commissioner Retzman seconded. Motion passes.

II. VISITOR COMMUNICATION – None

III. WORKSHOP

A. Short-Term Rental Program Evaluation (Continued)

Planner Martin stated that the workshop today is to present draft development code amendments to Short-Term Rental standards. This is part of an on-going discussion regarding Short-Term Rentals in the City of Sisters and potential regulation amendments to the program and how it is administered. The goal is to provide an update on the outcome of the workshops that we have had with the City Council since we last met and wanted to provide that update as we work our way towards a formal amendment review process.

Summary Points:

The City Council identified “evaluation of the Short-Term Rental Code language to mitigate adverse impacts on the community” as a goal for the 2023-24 fiscal year. This evaluation has included staff research and analysis that has been presented to the Council and the Planning Commission for consideration. The purpose of this workshop is to present draft code amendments to the Short-Term Rental standards in Section 2.15.2700 of the Sisters Development Code (SDC). This staff report includes – Background, Draft Text Amendments, and Next Steps.

Background:

The Council and Commission have evaluated the Short-Term Rental (STR) over several workshops on the following dates:

September 13, 2023 – City Council Workshop

October 5, 2023 – Planning Commission Workshop

January 24, 2024 – City Council Workshop

February 1, 2024 - Planning Commission Workshop

February 14, 2024 – City Council Workshop

The previous workshops included presentations of an overview of the current program, analysis of associated data, and discussion of several potential amendments to the applicable standards. At the workshop on February 14, 2024, the Council directed staff to prepare a draft code amendment for the following:

- Expansion of the STR concentration limit from 250 feet to 500 feet.
- Applying STR concentration limit to dwelling units within a condominium.
- Prohibition of STR's in Urban Growth Boundary expansion/annexation areas.

Staff presented the draft code amendments to the Council at a workshop on March 13, 2024, for input. The Council expressed general support for the amendments as draft but requested refinement of the draft language to ensure the limits on permit transfer of SDC 2.15.2700(F) remain applicable to approval of STR applications submitted after December 28, 2024. In addition, the Council directed staff to draft amendments that apply the 500-foot concentration limits to residential only development overlay zones in the Downtown Commercial (DC) District.

These residential only development options include the full range of residential uses from single-family dwellings to multi-family residential developments. The Council stated that the purpose of the STR limitation in these overlay zones was to build on the work of the Land Use Efficiency Measures, which was to spur more housing within the existing city boundaries, ideally for more workforce housing. Having no concentration limit in this zone was seen as potentially contradictory to this goal. The Council explicitly indicated the concentration limit should not be applicable to mixed use buildings that include both commercial and residential uses.

Draft Text Amendments

Based on the direction of the Council, staff prepared draft text amendment language for discussion. Table 1 identifies the applicable SDC sections, a description of the amendment, and explanation of the reason for change.

SDC Section 2.15.2700(D)(2)

Amendment – Add prohibition of STRs in residential districts located in areas annexed into the city limits of Sisters after the effective date of ordinance, unless specifically permitted in an annexation agreement approved by the City Council.

Reason – The applicability to only residential districts is consistent with the current standards and allowance of STRs in commercial districts. In addition, allowing STRs as authorized by annexation agreement provides opportunity for future councils to exercise discretion at the time of annexation.

SDC Section 2.15.2700(E)(1)

Amendment – Expand concentration limit from 250 feet to 500 feet and relocate existing reference to non-conforming uses.

Reason – Limit additional approvals in proximity to existing STRs and reword section to accommodate new subsection applying the concentration limit to residential only development overlay zones in the Downtown Commercial District (DC).

SDC Section 2.15.2700(E)(1)(a)

Amendment – Add subsection with no change to applicable zone districts and relocate existing reference to non-conforming uses.

Reason – Reword section to accommodate the additional of applying the concentration limit to residential only development overlay zones in the Downtown Commercial District (DC).

SDC Section 2.15.2700(E)(1)(b)

Amendment – Add subsection to apply concentration limit to residential only development in the Downtown Commercial District (DC).

Reason – The concentration limit is currently not applicable in commercial districts. Applying the concentration limits to residential only developments in the DC District overlay zones will limit STRs and retain opportunity for potential long-term occupancy of dwelling units.

SDC Section 2.15.2700(E)(2)

Amendment – Add reference to condominiums.

Reason – In conjunction with the change to 2.15.2700(E)(3), the intent is to clearly state the limit of only one dwelling unit on the property that may be used as a short-term rental is applicable to dwelling units within a condominium.

SDC Section 2.15.2700(E)(3)

Amendment – Remove section exempting condominiums from concentration limits.

Reason – Removal of this section results in the concentration limit being applicable to dwelling units within a condominium in the zone districts specified on SDC2.15.2700(E)(1) and (2).

SDC Section 2.15.2700(E)(4)

Amendment – Expand concentration limit from 250 feet to 500 feet.

Reason – Limit additional approvals in proximity to existing STRs.

SDC Section 2.15.2700(J)(1)

Amendment – Change reference from “under the former 2013 SDC 2.15.2700” to” between February 1, 2013, and the effective date of the ordinance adopting these changes that does not comply with the current standards”.

Reason – Any changes may cause an existing lawfully established STR to not comply with the new standards (ex. STRs within 500 feet) and, thereby, become a non-conforming use. This section allows those lawfully established, non-conforming STRs to continue operations if they comply with this section and all other applicable standards. As amended, this criterion will be applicable to all STRs approved and permitted between adoption of the STR specific standards in 2013 and any new standards.

SDC Section 2.15.2700(J)(1)(d)

Amendment – Add requirement that approval of STRs applications submitted after December 18, 2018, shall comply with the transfer limits under subsection (F) of this section.

Reason – Referenced subsection (F) prohibits transfer of STRs approvals to new owners. This transfer limitation is applicable to only those approvals of STR applications submitted after December 28, 2018. The addition of this criteria provides clarity that the transfer limit remains applicable.

Next Steps:

Staff will initiate the formal text amendment adoption process including public hearings before the Commission and the Council. The date of the initial public hearing has not been scheduled. Notice of the public hearing will be provided in accordance with SDC 4.1.600.

Financial Impact:

None identified at this time.

Chapter 2.15 – Special Provisions

New text shown in Underline.

Removed text shown in ~~Strikethrough~~.

Sections – 2.15.2700 – Short-Term Rentals

D. Prohibited Uses.

1. No recreational vehicle, travel trailer or other temporary shelter shall be inhabited as or used in conjunction with a short-term rental.

2. Short-term rentals in residential districts located in areas annexed into the city limits of Sisters after (insert effective date of ordinance), unless specifically permitted in an annexation agreement approved by the City Council.

E. Concentration Limits.

1. A short-term rental cannot be approved on a property within ~~250-500~~ feet of another property that has a valid short-term rental approval or is a legal non-conforming use approved under subsection (J) of this section and zoned;

~~a. R, MFR, SRR, UAR, and NSBP; or that has a valid short-term rental approval or is a legal non-conforming use approved under subsection (J) of this section.~~

b. DC and is a residential only development in one of the overlay zones in Figures 1 and 2 of Table 2.4.1 for the DC District. This is not applicable to commercial or mixed-use developments.

2. Where a property in the R, MFR, SRR, UAR, OR NSBP has multiple dwelling units (i.e. ADU's, duplexes, apartments, condominiums, etc.), only one dwelling unit on the property may be used as a short-term rental.

~~3. Notwithstanding anything herein to the contrary, dwelling units within a condominium are not subject to any concentration limits and are not considered when applying subsection (E)(1), whether as a property with an existing short-term rental or as a property proposed for a short-term rental.~~

4. "Within ~~250-500~~ feet" means a straight-line measurement in a radius extending for ~~250-500~~ feet or less in every direction from the closest point on the property line of the subject property to the closest point on the property line of the other property as determined by the Community Development Director.

J. Prior Existing Use.

1. Existing Type I Permits. Any short-term rental approved and legally permitted ~~under the former 2013 SDC 2.15.2700~~ between February 1, 2013, and (Insert effective date of ordinance) that does not comply with the current standards may continue as a legal non-conforming use provided:

a. That the use is not abandoned under subsection (H) of this section; and

b. That the owner obtains and maintains the operating license in accordance with SMC Chapter 5.50.

c. That the owner has the burden of establishing a valid prior approval and continuous operation when applying for an operating license or operating license approval.

d. Those approved after February 3, 2013, comply with the limits on permit transfer under subsection (F) of this section.

2. Legal Non-Conforming Uses. Any short-term rental that was lawfully established prior to February 1, 2013, when the initial short-term rental regulations were adopted, and has been lawfully and continually operating since that time, may continue as a legal non-conforming use provided:

a. The non-conforming use is verified through a declaratory ruling in accordance with SDC Chapter 4.9.

b. That the use is not abandoned under subsection (H) of this section; and

c. The owner obtains and maintains an operating license in accordance with SMC Chapter 5.50.

Planner Martin stated that this is the package of amendments that are in their draft form that the City Council has carried forward and gave direction to staff to initiate the formal review process. This has been the fact finding and discussion aspect of the goal and process of evaluating the short-term rental program, and with these identified amendments, it is time to carry it forward to creating and implementing the formal review process.

Planner Martin stated that the next steps that are planned with the Planning Commission following this workshop is the public hearing. Our target is still up in the air, but will possibly be later this spring, maybe May or likely June to have that public hearing. Following that public hearing, the Planning Commission provides a recommendation to the City Council that will be considered with the project record and any additional testimony and a public hearing before the City Council. The City Council is the final decision maker and adopts any changes or none via an Ordinance.

Planner Martin stated that no moratorium was pursued, and it was discussed with the City Council realizing that there were notice requirements, DLDC requires a 45-day notice prior to any public hearing considering a moratorium, public hearing, drafting of findings and then a decision. It was decided that the process and those resources allocated to that process could be better used to move forward with this formal adoption process.

IV. STAFF AND COMMISSIONER COMMENTS

Planner Martin stated that at the next meeting on April 18, 2024, will be the public hearing for the text amendments related to the Tourist Commercial District. We have a notice published in the Nugget Newspaper and mailed notice to participants have gone out. The staff is currently working on the staff report in preparation for the public hearing that will be issued no less than seven (7) days prior to the public hearing.

Director Woodford stated that after that we will be bringing back Defensible Space and Building Hardening. Those have been put on the back burner because these others are more pressing amendments, but they are still under consideration and still planning on bringing them back.

Director Woodford stated that we still have interviews for the Planning Commissioner candidates. It was supposed to happen this week, but it did not work out, so it will be next week which is the target date. We will hopefully have the 7th member on board here soon. We should know by the end of the month and should be in place for the May meetings.

Planner Shoup stated that Arbor Day is this month and is going to be on Friday, April 26, 2024, between 10:00 am and 10:30 am that day, and all of you are welcome to participate. We are working with a class of 20 students here in Sisters to plant over 100 tree seedlings at Creekside Park. It will be a mixture of ponderosa trees and some other riparian appropriate seedling species. It is something that we do every year as part of being a Tree City USA. The age group is from 4 to 11 and is a private school that we were able to connect with.

V. ADJOURN

Vice Chairman Dickman adjourned the meeting at 5:00 pm.

Respectfully submitted,

Carol Jenkins, Recording Secretary