

CITY OF DUNDEE
PLANNING COMMISSION AGENDA
P.O. Box 220
620 SW 5th Street
Dundee, Oregon 97115

MEETING WILL BE TELECONFERENCED

Join Zoom Meeting: <https://us02web.zoom.us/j/85159096452>

Or listen by calling: 1-253-215-8782

Meeting ID: 851 5909 6452

MEETING DATE: March 17, 2021

Meeting Time: 7:00pm

- I.** Call Meeting to Order
- II.** Public Comment
- III.** Public Hearing
- LURA 20-16, City of Dundee (Revisions to Section 17.203.240 and 17.202.020 of the Dundee Municipal Code regarding Vacation Rentals)
- IV.** Issues from Planning Commissioners
- V.** Adjournment

Memorandum

TO: Dundee Planning Commission
FROM: Matt Straite, MIG Contract Planner
CC: Rob Daykin, City Administrator
DATE: March 10, 2021
SUBJECT: Short term vacation rental code amendments – LURA 20-16



Process

The Dundee Planning Commission held workshops in September and November of 2020 to discuss potential code amendments to the short-term vacation rentals section, 17.203.240, and related sections. As a result of the workshop discussions, staff has put together proposed Development Code amendments that will:

- Change the name of Vacation Rentals to 'Short Term Rentals' (STR).
- Create two categories of rentals- infrequent and standard, for greater flexibility.
- Expand notice requirements for new STRs.
- Define occupancy limits.
- Establish a maximum number of STRs in the City (5%).
- Addresses congestion of STR's (not allowed adjacent to each other).
- Limits on street parking.
- Requires a local representative, in order to manage complaints quickly.
- Limits the number of STRs one owner can have in the City.
- Maintains many of the previous standards for vacation rentals that were working well.

The Planning Commission will make a recommendation on the proposed Development Code amendments to the City Council, which will make a final decision.

Proposed Development Code Amendments

The following proposed language would be included in the Zoning chapters and to any other chapter of the Development Code that may require revisions (all are included below). Most of the text for the Vacation Rental Section, Section 17.203.240 has been revised; this section is shown below in its entirety with additions to the Code shown as underlined, deleted sections of 17.203.240 were omitted for clarity.

17.203.240 ~~Vacation~~ Short Term rentals

All short-term rentals (STRs) shall conform to the following standards:

A. Applicability. No person shall occupy, use, operate or manage, nor offer or negotiate to use, lease or rent, a dwelling unit for short-term rental unless issued a STR permit or exempted under this Section. The standards of this section shall supersede the standards elsewhere in the Development Code, unless otherwise stated. This section applies to a dwelling unit in a residential zone built for permanent use that is rented out to one party at a time in its entirety for the purpose of overnight lodging to visitors for less than 28 days at any one time.

B. Purpose. The purpose of this section is to provide a process and standards for allowing STR units while mitigating possible impacts to neighbors. STRs are not considered home occupations.

C. Review Process. There are two types of short-term rentals. Infrequent and standard STRs are regulated below.

1. Infrequent STRs are properties that are available for rent fewer than 30 days total per calendar year. These are:
 - a. Processed as a Type I application (neighbor notification is not required).
 - b. Required to comply with all the standards listed in subsection (I).
 - b. Limited to no more than four rental periods per calendar year (cumulatively no more than 30 days per calendar year).
 - c. Exempt from the concentration limits for STRs in subsection (H) of this section.
 - d. Exempt from the business licensee and transient occupancy taxes as outlined in subsection (E).
2. Standard STRs shall be processed as a Type II application.
3. All STR applications must include (this supersedes the requirements of 17.402.040, except 17.402.040.B.2 and 7):
 - a. A site plan consistent with the requirements of 17.402.040.B.2.
 - b. Bedroom and bathroom counts.
 - c. Images of the following required safety features: Smoke detectors, carbon monoxide detectors, and fire extinguishers. The images should include the date the image was taken.
 - d. A list of the applicant's rules and requirements for renters. If the STR is approved these will be requirements of the permit.
 - e. A narrative explaining how the standards below, and the criteria from Section 17.402.050 are met (for infrequent STRs the criteria from Section 17.401.020.C pertain).

D. Notice. A Type II written notice consistent with Section 17.401.030 shall be provided to all neighbors within 200 feet of the property. The notice shall contain all of the following information:

1. The name, address, and telephone number of a local contact person responsible for maintenance and responding to emergencies, so that residents may report any problems with the STR as outlined in Section 17.203.240.K.
2. All other requirements of Section 17.401.030.B.3.

E. Criteria. For both Type I Infrequent Short-Term Rentals and Type II Short Term Rentals the criteria are:

1. The proposed STR will not present any burden on neighbors to the property. Any mitigation added such as special landscaping to address possible noise concerns, have been included as requirements of the permit.
2. The applicant has obtained a business license (for all Type II permits).
3. All standards from Section 17.203.240.J have been met.

F. Business License and Transient Room Tax.

1. The owner of the STR shall obtain and annually renew a business license pursuant to Chapter 5.04 of the DMC with the City of Dundee (Type I and II), and shall comply with Chapter 3.04 DMC, Transient Room Tax (Type II only).

2. Failure to renew the business license within 14 months (one year plus two months grace period) of issuance/renewal the STR permit will be void.
3. An STR permit holder must rent the unit at least once during a one-year period in order to renew the business license.
4. All business license renewals for STRs shall include:
 - a. Evidence at the time of renewal that all Transient Room Taxes have been paid in full for the previous year.
 - b. The owner or property owner must annually provide contact information to neighbors within 200 feet of the STR property, including an emergency contact other than the property owner. An affidavit shall be provided with the business license renewal application stating such mailing has been sent.
 - c. The applicant shall provide a log of complaints to the City annually with the business license renewal. This shall include issues addressed by the property owner or manager and all nuisance issues that were addressed by the police.

G. Limits on Permit Transfer. All STR permit approvals will only be valid for the current property owner (not including transfers to trusts, divorces or similar changes in names, but not ownership). Any sale of the property will automatically invalidate the STR permit.

H. Occupancy Limits. The maximum occupancy for the STR shall be two persons per bedroom plus two additional persons. For example, a two-bedroom dwelling would have a maximum occupancy of six persons. Any higher limits may be approved by the Planning Commission as a Conditional Use Permit. The criteria for a higher limit shall include those listed in 17.404.030 and the following additional criteria:

1. The property has unique mitigating characteristics, or other mitigation is provided, that will reduce any possible nuisances to neighbors including but not limited to noise. Fencing, landscaping, and other standard features of residential uses are not considered mitigation. Noise studies may be required.

I. Concentration limits. At no point shall the number of STR permits in the City exceed five percent (5%) of the total number of detached single-family homes in the city, calculated at the time the permit is issued. The burden of proof to demonstrate this is the applicants at the time of application. Infrequent STRs are exempt and do not contribute to the City wide total.

J. Standards.

1. Parking. At least two (2) off street parking spaces must be provided. In addition, one (1) STR parking space may be on-street. All overnight and visiting guests (not overnight guests) must park on the property in designated parking areas (as shown on the site plan). No unauthorized on-street parking is permitted.
2. Trash and Recycling Facilities. The owner shall provide for and maintain regular trash collection. Available bins must have adequate capacity for the renters, and no uncontained garbage is allowed on the site.
3. Pets. Pets shall comply with DMC Title 6.
4. Noise Limits. All activities associated with the STR shall comply with the noise standards in Chapter 8.28 DMC. Any violations are to be considered nuisance violations.

5. RVs and Other Temporary Shelters. The premises of the STR may not include any occupied recreational vehicle, trailer, tent, or other temporary shelter during the rental occupancy. Tents, including event tents, are not permitted.
6. Nuisances. All activities associated with the STR shall not cause a nuisance as defined in Chapter 8.16 DMC.
7. Posting of Information. The applicant shall keep posted a list of information about the STR adjacent to the front door inside the dwelling. At a minimum, the posting shall include the following information:
 - a. The name and contact information for a local contact person responsible for maintenance and responding to emergencies and/or complaints.
 - b. The current annual STR business license.
 - c. Any requirements for the STR to ensure it complies with this code.
 - d. The location of any safety equipment including fire extinguishers.
 - e. The maximum number of occupants that was approved by the City.
 - f. A list of the applicant's requirements for renters of the property (enforceable as part of this permit issuance).
8. Guest Register. The owner or property manager shall maintain a guest register listing each tenant of the STR along with the number of dwelling occupancy days consistent with DMC 32.04.150.
9. No Type II STR shall be located adjacent (contiguous to the property on the same side of the street) to any permitted Type II STR unit. The Planning Commission may approve contiguous Type II STR permits as a Conditional Use Permit with criteria as outlined in Subsection (H).
10. STRs are allowed in any dwelling unit in a residential zone except multifamily dwellings and Accessory Dwelling Units.
11. For all Type II STRs, the property owner shall designate a local representative that is physically located within the Dundee Urban Growth Boundary (UGB) or within ten (10) vehicular miles of the UGB. Said representative can be a property owner or a licensed property management company with a physically staffed office within ten (10) vehicular miles of the UGB. The owner may be the designated representative if the owner resides within these stated limits.

The local representative must be authorized by the owner of the dwelling to respond to the tenant and neighborhood questions or immediate concerns. The local representative shall serve as the initial contact person if there are questions or complaints regarding the operation of the STR, including immediate complaints. The local representative must respond to complaints in a timely manner to ensure the dwelling complies with the standards for STRs and other city ordinances pertaining to noise, disturbances, nuisances, as well as state laws pertaining to the consumption of alcohol, or the use of illegal drugs.

12. No property owner (private or corporate) shall be issued more than one STR permit.

K. Complaints and Permit Revocation.

1. Immediate complaints.

- a. All immediate complaints shall go to the property owner or property manager. The property owner or property manager is required to address any immediate complaints while the offending renter is still onsite.
 - b. Any unresolved complaints that are not addressed by the property owner or property manager shall be addressed by the local police department as a nuisance complaint.
 - c. The applicant shall provide a log of complaints to the City annually with the business license renewal. This shall include issues addressed by the property owner or manager and all nuisance issues that were addressed by the police.
 - d. Where complaints are persistent and recurring such that they have a detrimental effect to the quiet enjoyment of the adjoining residents, as determined by the City Administrator, the City Administrator may schedule a hearing before the Planning Commission to consider adding additional conditions for mitigation or revoking the short-term rental permit. The owner may appeal the Planning Commission decision to the City Council.
2. Standards Violations. Any complaints about a violation of the standards listed in Section 17.203.204.G shall be reported to the city. The city shall notify the property owner in writing of any corrective action necessary to correct the violation, and the owner shall have 30 days to correct the identified issue. If the city receives three or more complaints about violations of the standards listed in Section 17.203.204.G within a 12-month period, the city administrator shall schedule a hearing before the planning commission to consider adding additional conditions for mitigation or revoking the short-term rental permit. The owner may appeal the planning commission decision to the city council. [Ord. 563-2018 § 1 (Exh. A); Ord. 537-2014 § 1].

Other code sections effected by these revisions (edits shown in underline ~~strikeout~~)

Table 17.202.020 Zoning Table

Table 17.202.020; Zoning Table		P: Permitted Use; CU: Conditional Use; S: Special Use Requirements Apply; N: Not Permitted									
Uses	Residential			Commercial			Public and Ag				Special Use Requirements
	R-1	R-2	R-3	C	CB D	LI	P	PO	A	EFU	
Vacation <u>Infrequent Short-Term</u> Rental, with Three or Fewer Bedrooms	P	P	P	P	P	N	N	N	N	N	DMC 17.203.240
Vacation <u>Short Term</u> Rental, with Four or More Bedrooms	<u>CU</u> P	<u>CU</u> P	<u>CU</u> P	<u>CU</u> P	<u>CU</u> P	N	N	N	N	N	DMC 17.203.240

17.203.260 Accessory dwelling unit (ADU), Subsection C. Standards

7. An accessory dwelling unit may not be used as a ~~vacation~~ Short Term rental.

17.401.010 Purpose and applicability

Table 17.401.010

Summary of Approvals by Type of Review Procedure

Approvals	Review Procedures	Applicable Regulations
<u>Infrequent Short-Term Rentals</u>	<u>Type I</u>	<u>DMC 17.203.240</u>
<u>Short Term Rentals</u>	<u>Type II</u>	<u>DMC 17.203.240</u>

17.501 Definitions

~~“Vacation rental”~~ “Short Term Rental” means a dwelling unit in a residential zone built for permanent use that is rented out to one party at a time in its entirety for the purpose of overnight lodging to visitors for less than 28 days at any one time. ~~Vacation~~ Short term rental does not include a dwelling in which individual rooms are rented out separately; this type of use would fall under “bed and breakfast establishment.” Any rental in a non-residential zone is a hotel or motel.

“Infrequent Short-Term Rental” means a dwelling unit in a residential zone built for permanent use that is rented out to one party at a time in its entirety for the purpose of overnight lodging to visitors, similar to Short Term Rentals; however, Infrequent Short Term Rentals are available for rent fewer than 30 days total per calendar year.

Discussion

The City established the vacation rental program in 2014. Currently the City features about 20 registered vacation rentals. This evaluation will help bolster the positive impacts of vacation rentals, such as increasing tourism, while addressing the possible impacts to the community. The short-term rental industry has continued to evolve since the 2014 adoption. This evaluation is intended to implement best practices in the industry.

As the Commission may recall, staff began the process by sending a survey to the community to gather feedback on possible STR changes to the Development Code. This data was presented to the Commission. A comparison of different cities STR sections was provided as well, with an analysis of the key differences. Lastly, staff held interviews with key stakeholders. Input from these were provided to the Planning Commission. With significant feedback from the Commission during workshops, the amendments provided reflect input from the community and the Commission.

Public Comments

As of Tuesday March 9, 2021, the day before this memo was published the City received comments from four individuals:

- Ms. Groff, dated February 6, 2021
- Mr. Bridges, dated March 8, 2021
- Ms. Sundeen, dated March 9, 2021
- Ms. Carda, Dated March 9, 2021

These comments are attached to this memo. Staff responses have been included as well.

Staff Recommendation

At the March 17, 2021 hearing, the Planning Commission should:

1. Consider the staff memo and any public testimony.
2. Deliberate and make findings showing that the proposal is consistent with city and state policies. Tentative findings are shown in Exhibit A of the Order of Recommendation.
3. Make a recommendation that the City Council adopt the proposed Development Code amendments.

Attachment:

Public Comment Letters submitted prior to the publication of the March 16, 2021 Planning Commission Memo.

Ms. Goff Letter. Staff responses shown in boxes

March 6, 2021

Dundee Planning Commission:

When I purchased my house in 2003, I chose Dundee because of its small town charm and quiet, friendly neighborhoods. Up until recently, it has been a wonderful place to call home.

A few years ago the family next door sold their house to a woman who did not want to live in Dundee (she apparently lives in Lake Oswego) and she immediately posted it online as a short term vacation rental. I'm not opposed to the tourist industry, but what I've come to realize is that the sort of people who rent a large house for the weekend are usually not looking for a quiet getaway in wine country - - they are looking for a place to have a party. And because they don't live here, the renters don't care that some neighbors have to get up early to work the next day. They don't know that the couple in the house behind them recently had a baby or that the person down the street is battling cancer. They don't realize that this is normally an extremely quiet and peaceful community.

For me, living next door to a short term rental has been a miserable experience. Without opening a window or stepping outside, I can tell when the house is occupied based on the noise level. More often than not the renters are loud and obnoxious, sitting outside drinking, shouting, and playing music at all hours. They frequently throw big parties that bring in dozens additional people who are obviously not paying guests, crowding the street with extra cars and sometimes campers or RVs. I get it. They are on vacation and here to celebrate. But those of us who actually live in Dundee deserve better.

The owner of this particular short-term rental is clearly not concerned about the impact her investment property is having on residents like myself. Her airbnb listing specifically states that the rental is: "Great for Birthdays, Anniversaries, Weddings & Receptions, Honeymoon's and Special Holiday's." When I purchased my home eighteen years ago,

I had no idea that I would one day be living next door to a special event venue. Honestly, I don't know how these proposed changes will impact my property value, but I'm hopeful they might improve my quality of life, and so I support them. My only worry is that they don't go far enough. I worry that there will be no transparency or accountability for short-term rental owners who fail to comply with these regulations. I am concerned that these amendments would not prevent an opportunistic STR owner from turning a regular backyard into a rental space for weddings and other large, loud gatherings. Still, this seems like a step in the right direction. I hope the Planning

Commission and City Council will pass these changes and take additional steps in the future to protect the rights of Dundee's residents and preserve the character of our quiet, friendly neighborhoods.

Deborah Groff

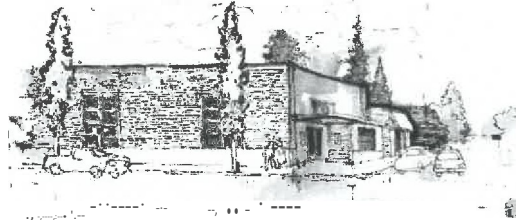
First, we are sorry that your neighbor has created a situation that causes you any grief. The Planning Commission is very concerned about STRs being a nuisance. The revisions to the development code have been crafted to try to curtail some of the party-rental elements of the STR industry. Limits have been added for parking, and the complaint process has been expanded. Owners are required to have a local representative to address complaints faster. There is a balance between allowing homeowners to create a new STR business, which is good for tourism and the homeowner, and assuring that neighbors do not have to put up nuisance issues. We feel these amendments strike that balance.

Mr. Bridges Letter. Staff responses shown in boxes

BROWN, TARLOW, BRIDGES & PALMER, PC

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ALLYNE. BROWN
DONALD O. TARLOW

Retired

March 8, 2021

City of Dundee

Sent via Email only

Attn: Patrick Davenport
POBox220

Dundee, Oregon 97115

Re: *Short Term Rentals*

Dear Patrick,

Please find enclosed my redlined version of Code Section 17.203.240. You will note that in the definition section I have identified that a number of different terms need to be defined, as without a definition they will, in my opinion, cause challenges for interpretation purposes.

We are supportive of this redlined version of the Code Section. I would be opposed to the current draft of it, but I am happy to work on some modifications to make the Code work for everyone involved.

Yours Truly,

BROWN, TARLOW, BRIDGES & PALMER, PC



John T. Bridges

JTB:bno
Enclosure

cc: client

Most of the text for the Vacation Rental Section, Section 17.203.240 has been revised; therefore this section is shown below without ~~redline~~ ~~strikeout~~.

17.203.240 Short Term rentals

All short-term rentals (STRs) shall conform to the following standards:

A. Applicability. No person shall occupy, use, operate or manage, nor offer or negotiate to use, lease or rent, a dwelling unit for short-term rental unless issued a STR permit or exempted under this Section. The standards of this section shall supersede the standards elsewhere in the Development Code, unless otherwise stated. This section applies to a dwelling unit in a residential zone built for permanent use that is rented out to one party at a time in its entirety for the purpose of overnight lodging to visitors for less than 28 days at any one time.

B. Purpose. The purpose of this section is to provide a process and standards for allowing STR units while mitigating possible impacts to neighbors. STRs are not considered home occupations.

C. Review Process. There are two types of short-term rentals. Infrequent and standard STRs are regulated below.

1. Infrequent STRs are properties that are available for rent fewer than 30 days total per calendar year. These are:
 - a. Processed as a Type I application (neighbor notification is not required).
 - b. Required to comply with all the standards listed in subsection (I).
 - b. Limited to no more than four rental periods per calendar year (cumulatively no more than 30 days per calendar year).
 - c. Exempt from the concentration limits for STRs in subsection (H) of this section.
 - d. Exempt from the business licensee and transient occupancy taxes as outlined in subsection (E).
2. Standard STRs shall be processed as a Type II application.
3. All STR applications must include (this supersedes the requirements of 17.402.040, except 17.402.040.B.2 and 7):
 - a. A site plan consistent with the requirements of 17.402.040.B.2.
 - b. Bedroom and bathroom counts.
 - c. Images of the following required safety features: Smoke detectors, carbon monoxide detectors, and fire extinguishers. The images should include the date the image was taken.

- d. A list of the applicant's rules and requirements for renters. If the STR is approved these will be requirements of the permit.
- e. A narrative explaining how the standards below, and the criteria from Section 17.402.050 are met (for infrequent STRs the criteria from Section 17.401.020.C pertain).

D. Notice. A Type II written notice consistent with Section 17.401.030 shall be provided to all neighbors within 200 feet of the property. The notice shall contain all of the following information:

1. The name, address, and telephone number of a local contact person responsible for maintenance and responding to emergencies, so that residents may report any problems with the STR as outlined in Section 17.203.240.K.
2. All other requirements of Section 17.401.030.B.3.

E. Criteria. For both Type I Infrequent Short Term Rentals and Type II Short Term Rentals the criteria are:

1. The proposed STR will not present any material burden on neighbors to the property. Any mitigation added such as special landscaping to address possible noise concerns, have been included as requirements of the permit.

Staff does not support this proposed change. The intent of the section is to address nuisance issues like noise and smoke, these issues would not be 'material.'

2. The applicant has obtained a business license (for all Type II permits).
3. All standards from Section 17.203.240.J have been met.

F. Business License and Transient Room Tax.

1. The owner of the STR shall obtain and annually renew a business license pursuant to Chapter 5.04 of the DMC with the City of Dundee (Type I and II), and shall comply with Chapter [3.04](#) DMC, Transient Room Tax (Type II only).
2. Failure to renew the business license within 14 months (one year plus two months grace period) of issuance/renewal the STR permit will be void.
3. An STR permit holder must rent the unit at least once during a one-year period in order to renew the business license.
4. All business license renewals for STRs shall include:
 - a. Evidence at the time of renewal that all Transient Room Taxes have been paid in full for the previous year.
 - b. The owner or property owner must annually provide contact information to neighbors within 200 feet of the STR property, including an emergency contact other than the property owner. An affidavit shall be provided with the business license renewal

application stating such mailing has been sent.

- c. The applicant shall provide a log of complaints to the City annually with the business license renewal. This shall include issues addressed by the property owner or manager and all nuisance issues that were addressed by the police.

G. Limits on Permit Transfer. All STR permit approvals will only be valid for the current property owner (not including transfers to trusts, LLC's, divorces or similar changes in names, but not ownership). Any sale of the property will automatically invalidate the STR permit.

Staff does not see any issues with the inclusion of LLC's onto this list.

H. Occupancy Limits. The maximum occupancy for the STR shall be two persons per bedroom plus two additional persons. For example, a two-bedroom dwelling would have a maximum occupancy of six persons. Any higher limits may be approved by the Planning Commission as a Conditional Use Permit. The criteria for a higher limit shall include those listed in 17.404.030 and the following additional criteria:

1. The property has unique mitigating characteristics, or other mitigation is provided, that will reduce any possible nuisances to neighbors including but not limited to noise. Fencing, landscaping, and other standard features of residential uses are not considered mitigation. Noise studies may be required.

I. Concentration limits. At no point shall the number of STR permits in the City exceed five percent (5%) of the total number of detached single-family homes in the city, calculated at the time the permit is issued. The burden of proof to demonstrate this is the applicants at the time of application. Infrequent STRs are exempt and do not contribute to the City wide total.

J. Standards.

1. Parking. At least two (2) off street parking spaces must be provided. In addition, one (1) STR parking space may be on-street. All overnight and visiting guests (not overnight guests) must park on the property in designated parking areas (as shown on the site plan). No unauthorized on-street parking is permitted.
2. Trash and Recycling Facilities. The owner shall provide for and maintain regular trash collection. Available bins must have adequate capacity for the renters, and no uncontained garbage is allowed on the site.
3. Pets. Pets shall comply with DMC Title 6.
4. Noise Limits. All activities associated with the STR shall comply with the noise standards in Chapter 8.28 DMC. Any violations are to be considered nuisance violations.
5. RVs and Other Temporary Shelters. The premises of the STR may not include any occupied recreational vehicle, trailer, tent, or other temporary shelter during the rental occupancy. Tents, including event tents, are not permitted.
6. Nuisances. All activities associated with the STR shall not cause a nuisance as defined in Chapter 8.16 DMC.
7. Posting of Information. The applicant shall keep posted a list of information about the STR adjacent to the front door inside the dwelling. At a minimum, the posting shall include

the following information:

- a. The name and contact information for a local contact person responsible for maintenance and responding to emergencies and/or complaints.
 - b. The current annual STR business license.
 - c. Any requirements for the STR to ensure it complies with this code.
 - d. The location of any safety equipment including fire extinguishers.
 - e. The maximum number of occupants that was approved by the City.
 - f. A list of the applicant's requirements for renters of the property (enforceable as part of this permit issuance).
8. Guest Register. The owner or property manager shall maintain a guest register listing each tenant of the STR along with the number of dwelling occupancy days consistent with DMC 32.04.150.
 9. No Type II STR shall be located adjacent (contiguous to the property on the same side of the street) to any permitted Type II STR unit. The Planning Commission may approve contiguous Type II STR permits as a Conditional Use Permit with criteria as outlined in Subsection (H).
 10. STRs are allowed in any dwelling unit in a residential zone except multifamily dwellings and Accessory Dwelling Units (ADU), unless the ADU is part of an entire property rental. -

The Planning Commission expressed strong concerns with this issue previously. Staff does not have any specific issues with the proposed text.

11. For all Type II STRs, the property owner shall designate a local representative that is physically located within the Dundee Urban Growth Boundary (UGB) or within ten (10) vehicular miles of the UGB. Said representative can be a property owner or a licensed property management company with a physically staffed office within ten (10) vehicular miles of the UGB. The owner may be the designated representative if the owner resides within these stated limits.

The local representative must be authorized by the owner of the dwelling to respond to the tenant and neighborhood questions or immediate concerns. The local representative shall serve as the initial contact person if there are questions or complaints regarding the operation of the STR, including immediate complaints. The local representative must respond to complaints in a timely manner to ensure the dwelling complies with the standards for STRs and other city ordinances pertaining to noise, disturbances, nuisances, as well as state laws pertaining to the consumption of alcohol, or the use of illegal drugs.

12. No property owner (private or corporate) shall be issued more than one STR permit.

K. Complaints and Permit Revocation.

1. Immediate complaints.
 - a. All immediate complaints shall go to the property owner or property manager. The property owner or property manager is required to address any immediate complaints

- while the offending renter is still onsite.
- b. Any unresolved complaints that are not addressed by the property owner or property manager shall be addressed by the local police department as a nuisance complaint.
 - c. The applicant shall provide a log of complaints to the City annually with the business license renewal. This shall include issues addressed by the property owner or manager and all nuisance issues that were addressed by the police.
 - d. Where complaints are persistent and recurring such that they have a detrimental effect to the quiet enjoyment of the adjoining residents, as determined by the City Administrator, the City Administrator may schedule a hearing before the Planning Commission to consider adding additional conditions for mitigation or revoking the short term rental permit. The owner may appeal the Planning Commission decision to the City Council.
2. Standards Violations. Any complaints about a violation of the standards listed in Section 17.203.204.G shall be reported to the city. The city shall notify the property owner in writing of any corrective action necessary to correct the violation, and the owner shall have 30 days to correct the identified issue. If the city receives three or more complaints about violations of the standards listed in Section 17.203.204.G within a 12-month period, the city administrator shall schedule a hearing before the planning commission to consider adding additional conditions for mitigation or revoking the short term rental permit. The owner may appeal the planning commission decision to the city council. [Ord. 563-2018 § 1 (Exh. A); Ord. 537-2014 § 1].

Other code sections effected by these revisions (edits shown in redline ~~strikeout~~)

Table 17.202.020 Zoning Table

Table 17.202.020; Zoning Table												
P: Permitted Use; CU: Conditional Use; S: Special Use Requirements Apply; N: Not Permitted												
Uses	Residential			Commercial			Public and Ag			Special Use Requirements		
	R-1	R-2	R-3	C	CB D	LI	P	PO	A	EFU		
Vacation Infrequent Short Term Rental, with Three or Fewer Bedrooms	P	P	P	P	P	N	N	N	N	N	DMC 17.203.240	
Vacation Short Term Rental, with Four or More Bedrooms	CU P	CU P	CU P	CU P	CU P	N	N	N	P N	PN	DMC 17.203.240	

Staff does not support the inclusion of the Agriculture or EFU zone for STRs. Many of these are within the Riverside District, which has comprehensive Plan Policies regarding the future development of that District. STR uses may conflict with those policies.

17.203.260 Accessory dwelling unit (ADU), Subsection C.Standards

7. An accessory dwelling unit may not be used as a ~~vacation~~ Short Term rental, unless the ADU is part of an entire property rental.

17.401.010 Purpose and applicability

Approvals	Review Procedures	Applicable Regulations
Infrequent Short Term Rentals	Type I	DMC <u>17.203.240</u>
Short Term Rentals	Type II	DMC <u>17.203.240</u>

17.501 Definitions

~~“Vacation rental”~~ “Short Term Rental” means a dwelling unit in a residential zone built for permanent use that is rented out to one party at a time in its entirety for the purpose of overnight lodging to visitors for less than 28 days at any one time. ~~Vacation Short term~~ rental does not include a dwelling in which individual rooms are rented out separately; this type of use would fall under “bed and breakfast establishment.” Any rental in a non-residential zone, as defined herein, is a hotel or motel.

“Infrequent Short Term Rental” means a dwelling unit in a residential zone built for permanent use that is rented out to one party at a time in its entirety for the purpose of overnight lodging to visitors, similar to Short Term Rentals; however, Infrequent Short Term Rentals are available for rent fewer than 30 days total per calendar year.

“Detrimental effect” means

“Immediate Complaint” means

“Persistent” means

“Quiet Enjoyment” means

“Recurring” means

“Residential Zone” is all property in the R-1, R-2, R-3, and AG/EFU, if six or fewer acres in size that already contains a residence.

“Unreasonable Complaints” means

Staff does not support the inclusion of these additional terms, as they will limit the ability of the Commission to exercise discretion. The section is designed to afford the Commission flexibility to the enforcement procedures and processes.

Ms. Sundeen Letter. Staff responses shown in boxes

Short Term Vacation Rentals – 17 March Planning Commission Meeting
“PC Hearing version of the proposed Short Term Rental Code edits”

17.203.240

The following are my comments for the 17 March 2021 Planning Commission meeting. Thank you for including these comments in the Planning Commission packet.

A. Applicability.

1. No exceptions to this ordinance should be allowed. All short term vacation rentals (STRs) have a significant impact on individual neighbors neighborhoods, and on the city as a whole for numerous reasons.
2. The sentence beginning “This section applies to ---“ is unclear as to meaning. It would be more clear if a period were placed after “permanent use” and continuing “The person(s) or organization renting an STR must rent the dwelling in its entirety for the purpose of ---“ The word “party” has a common definition associated with STRs that does not convey an appropriate idea of what I believe was intended in this ordinance.

The sentence in question is intended to explain that you must rent the whole house, not just part of a house. Ms. Sundeen is correct that the term ‘party’ could be taken out of context as this code is intended to curtail the use of an STR for parties. Staff proposes to change the sentence to read:

This section applies to a dwelling unit in a residential zone built for permanent use. ~~that is rented out to one party at a time~~The person(s) renting the STR must rent the dwelling in its entirety for the purpose of overnight lodging to visitors for less than 28 days at any one time.

B. Purpose.

STRs have an impact on neighbors. Added to this should be the impact on neighborhoods and on the city as a whole. These impacts are numerous and significant.

Staff and the Planning Commission have attempted to find a balance between allowing a homeowner to create a new business that can support tourism in the Wine Country, and assuring that existing homeowners can have a peaceful community. We feel this amendment strikes that balance. The text already states that the purpose includes mitigating possible impact to neighbors.

C. Review Process.

ALL STRs have a significant impact on neighbors, neighborhoods and on the city as a whole. All STRs can be expected to have similar problems and similar impacts. There should not be separate categories of STRs.

All STR approvals should be Conditional Use approvals. This will allow input as to specific conditions for specific properties and also will prevent fraudulent and/or inaccurate from being included in the applications.

D. Notice.

All STRs should be required to provide the required notice. The notice should also include police and fire emergency numbers and contact information for City Hall.

The Planning Commission discussed this at great length during a workshop. The PC wanted to create a secondary process that would allow a homeowners to casually rent out their house for short periods, like when they are on vacation, without the need to file for a permit.

E. Criteria.

1. Noise cannot be mitigated by landscaping. Sound walls are an effective barrier to sound waves- these are prohibited elsewhere in the city code. I recommend that this be changed to “Any mitigation added to address concerns has been added to ---“
2. As stated above, there should be only one category of STRs. If the Planning Commission wishes to waive the requirement for a business license for STRs rented for a limited time, this waiver should be granted in the section of the city code pertaining to business licenses.

The landscaping was provided as an example. Having that said, staff could support a change that would read:

4. The proposed STR will not present any burden on neighbors to the property. Any mitigation added ~~such as special landscaping~~ to address ~~possible noise~~ concerns, have been included as requirements of the permit. ~~Mitigation may be required to the satisfaction of City Staff.~~

F, Business License and Transient Room Tax.

1, As stated above, there should be only one category of STRs. If the Planning Commission wishes to waive the transient room tax for STRs rented for a limited time, this waiver should be granted in the section of city code pertaining to transient room taxes.

4.c. In order to enforce this section of the code, the police department must be required to report all complaints regarding STRs to the applicant. Without this requirement, there is no way for the applicant to know that complaints have been made to the police. The police department should also be required to report all complaints to City Hall.

This is included, see K.1.b

G. Limits on Permit Transfer.

Transfers to trusts or divorces are not changes in name only. Both can, and do, in various, complex, legal ways result in a complete change of ownership. This section should state that any change in ownership designation, without exception, or sale of the property automatically invalidates the STR permit.

The intent is not to capture every possible kind of business name change, but to clarify that the permit cannot be sold with the house.

I. Concentration Limits.

Delete the reference to Infrequent STRs. All STRs have the same impacts and similar problems associated with them. The same issues of impacts on neighbors, neighborhoods, and on the city as a whole apply to Infrequent STRs. Spacing and density issues apply equally to all STRs.

Section J.9. should be moved to this section as it pertains to concentration limits. All STR approvals should be Conditional Use approvals. The limits stated in this section should apply to all STRs. No contiguous STRs should be permitted. A 200 foot radius buffer around each STR should be strictly required. (Under the current requirements of this code revision, an STR in our neighborhood could be surrounded by seven (7) additional STRs.) If not moved, this wording should replace J.9.

The Planning Commission entertained many ways to buffer STRs. The Commission felt that the proposed regulations were a fair and balanced method.

J. Standards.

5. Delete the word occupied. This should state that recreational vehicles and trailers are not allowed. There are too many space and parking issues with this. There is also an issue of additional people sleeping in RVs and trailers. "other temporary shelter" should be moved to the next sentence.

Any RV's that are stored on the property are not related to the possible STR use of the property. Every property is different and some may have ample space to store vehicles or RV's. This would have nothing to do with the STR use of the site.

ii. Delete Type ii. There should not be categories of STRs. If there is an infrequently rented (not a category- this is a description) STR, the same problems as in any other STR can be expected to happen. It is equally important for all STRs to have a local representative available to respond to all problems. This is especially important if the owner is not present within the required distance.

“The local representative must respond to complaints in a timely manner to ensure that the dwelling complies with----- state laws pertaining to”. This sentence limits the applicable state laws to those pertaining to the consumption of alcohol or the use of illegal drugs. This should be changed to “ pertaining but not limited to the ---“.

The text uses the term “as well as” so it does not present any limits.

K. Complaints and Permit Revocation.

1.b. I'm not sure what is intended here. All complaints to property management and to the police should be consolidated. I'm unclear as to how the police can resolve a nuisance complaint after the nuisance has ceased.

1.c. As stated above, the applicant cannot know if a complaint has been made to the police unless the police are required to notify the applicant and also City Hall.

Our Land Use Code cannot make requirements for the Police Department. The Code cannot require the police to notify City Hall specifically about any complaints that are made specific to an STR. This section attempts to clarify that. Any neighbor can notify the police of a nuisance issue, or use their contact information to contact the local representative to address the complaint. If, upon investigation by the City, the City determines that an STR has had multiple police complaints, such that a pattern is demonstrated, the City can set a hearing for a possible revocation of the permit.

Table 17.202.020. Zoning Table

Eliminate Infrequent STRs for the reasons stated above.
All STR approvals in residential zones should be CU.

Note that this table requires all STRs (other than infrequent STRs) to have a minimum of four (4) bedrooms. I don't think this was intended.

Staff proposes the following corrections

Table 17.202.020; Zoning Table	P: Permitted Use; CU: Conditional Use; S: Special Use Requirements Apply; N: Not Permitted										
Uses	Residential			Commercial			Public and Ag				Special Use Requirements
	R-1	R-2	R-3	C	CB D	LI	P	PO	A	EFU	
Vacation Infrequent Short Term Rental, with Three or Fewer Bedrooms	P	P	P	P	P	N	N	N	N	N	DMC 17.203.240
Vacation Short Term Rental, with Four or More Bedrooms	<u>CU P</u>	<u>CU P</u>	<u>CU P</u>	<u>CU P</u>	<u>CU P</u>	N	N	N	N	N	DMC 17.203.240

Table 17.401.010.

Eliminate Infrequent STRs.

All STRs should require CU approval.

17.501 Definitions

Add a period after “permanent use”. Continue “The person(s) or organization renting an STR must rent the dwelling in its entirety for the purpose of ---“.

Eliminate “Infrequent Short Term Rental”.

Elizabeth Sundeen

Ms. Carda Letter. Staff responses shown in boxes

March 9, 2021

City of
Dundee
Planning
Commission
620 SW 5th
Street
Dundee, OR
97115

Re: Proposed Changes to DMC 17.203.240-Vacation Rentals

Dear Members of the Planning Commission,

I am writing to as a stakeholder of businesses and a community member of Dundee regarding the proposed edits to the Short Term Vacation Rental regulations for our city. Though I currently do not reside within city limits, I was raised on 11th Street where I frequently visit still to see my parents; I currently live in Newberg. My current businesses in Dundee are Trellis and managing local Short Term vacation rentals with Lifestyle Properties. Both of which benefit from the regulations that were put into place in 2014 to welcome vacation rentals in our community.

Firstly, I would like to express my appreciation for the time and energy everyone has invested in determining a healthy growth for Short Term Rentals as we move forward. Balancing our community feel and desires with homeownership freedom and business opportunity is not an easy feat for any destination community across this globe. I am appreciative I was given the opportunity to provide feedback when the developing committee was forming their plans, and I can see many points of mention that are now being reflected within the new proposal. Above all else, I desire this town/community to be my home for the rest of my life; and the passion I have for ensuring it is both a thriving and livable community runs deep in me.

I appreciate the following enhancements being presented:

- Additional permit processing with the Type II application.
 - With required site plan and photo submission.
 - With expansion of the written notice area.
- Concentration Limits

- 5% of the housing stock will provide opportunities for Short Term Rentals to be present, but also ensure the growth and livability of the community.
- Non-contiguous location permitting will provide less opportunities for neighborhoods to be full of short term rentals.
- Local Representation
 - Guests, neighbors, and the community will all benefit from someone local to be responsible for the property. I believe this is a huge benefit to the future of Short Term Rentals in our growing destination.
- Permitting larger homes to be approved with a Type II Application
 - Vacation homes are primarily used by families as a place to gather. Families come in all sizes, and being able to have a home they can be together is the bonus of renting a vacation home versus a hotel room or Bed & Breakfast. Vacation homes are also traditionally a more cost effective way to travel which tends to be a need for family stays more so than a getaway for two.

In reviewing the new proposal there are some areas that I do have a few red flags about which I would ask for the planning commission to take under further consideration and review:

- Zoning Table
 - Current regulations allow three or fewer bedrooms with a Type I permit, four or more with a Conditional Use Permit. To provide a variety of lodging options for visitors, and permit property owners with homes with three or fewer bedrooms to operate as year around rentals, I would encourage the following points to be revisited:
 - In reading this, to me it seems like any home with three or fewer bedrooms to only be used as an Infrequent Short Term Rental. Is there a need/reason for this change?
 - Also, it seems that Dundee will only permit year around Short Term Rentals for homes with four or more bedrooms. Is there a reason for only permitting large homes to be used in this manner?

The table has been modified to remove limits to the number of rooms and simply require a Type I for infrequent and a Type II for regular STRs.

- Infrequent Short Term Rental
 - I understand the desire for some homeowners to use their properties in this manner. Go on vacation for a month and open your home up to generate

revenue while you are gone - awesome!

- As a short term vacation rental manager and community member, I do not understand why these types of occupancy durations should be treated differently than any other permitted Short Term Rental. I believe the city should equally require the Type II permit to protect all guests, neighbors and community the same for this 30 day period as they would year around.
- As for waiving the business license or lodging tax, I would advise otherwise. The home is considered a business and will be generating revenue over the 30 day period - revenue that will need to be taxed. Additionally, Oregon State Lodging Taxes will still be required over this 30 day period, so why waive the City TLT? Visitors expect to pay lodging taxes while traveling - we all do this when we travel elsewhere. Also, the generation of TLT drives revenue for essential services the city needs to maintain safety, utility and road use, and other general services. It also contributes to the destination development efforts from Travel Dundee which helped drive those visitors to want to travel here as well.
- And back to the topics of the zoning table, I do not see the reason why Infrequent STR to be only three or fewer rooms, as long as they followed the Type II permit process.
- Recommend that the words "one party at a time" be replaced with "one reservation at a time". Party sends a message of partying/parties being permitted

and I would advise word be eliminated when trying to ensure the liveability of the neighborhood surrounding the STR.

The Planning Commission added the idea of a infrequent STR. The idea was to give a break to those who want to rent only while they are out of town. The Commission recommended that the requirements be less for infrequent STRs, including the need for them to pay taxes.

The term 'party' was revised previously in response to input from Ms. Sundeen.

- Point A - I would again replace "one party" with "one reservation"
- Point B - I personally recommend positive language when putting this regulations in place versus negative language. This is an example of positive language from the city of Newberg to take into consideration, "The purpose is to maintain the peace, quiet, traffic patterns, and property maintenance typical for the residential neighborhood" in replacement for "mitigating possible impacts to the neighbors."
- Point D - I would suggest adding in the telephone number for the police department and fire department for neighbors to not eliminate calling the right services in the

case of an emergency.

The Planning Commission will consider these suggestions.

- Point F. 4. c & f - What is the difference between these two lines? Is this suggesting any “house rules” from the Property Owner to be listed by the door - would emergency services be able to enforce these rules? Such as no dogs allowed?

There is no F.4.f. The list stops at c. The idea is that the rules provided by the homeowner to the City as part of the permit do indeed become part of the land use action, and therefore, could be enforced by the City through any kind of violation abatement. Typically this would be complaint driven.

- I would recommend moving Point 9 in Section J to be listed after Point I. Those two topics seem to go hand in hand.
- Point J. Standards -
 - 1. I highly recommend there be a requirement for one off-street parking space per bedroom with the minimum of two. Especially if you will permit up to two additional guests. During times of pre-Covid, it is true that more guests flew in meaning fewer cars. Now everyone is driving and if you have a three bedroom house you could get up to eight cars with only two off-street spaces. Parking tends to be one of the major neighborhood complaints across the board in destination communities. To mitigate complaints, I would encourage this to be revisited.

The way this is drafted, it's driven more by the market than the code. Two spaces are required, and only 1 off street space is permit. Never more on street. If someone has a 4-bedroom house, they are required to have two off-street spaces. If they want 8 off-street spaces, they may show 8 on the site plan. The minimum is two. We did try to address parking complaints by only ever allowing one on-street parking space. Should they have a party and invite 20 cars, they would have to accommodate them all on-site, without on-street parking. This will limit how many people use the property.

- 12. Paragraph 2 - adjust wording to say, “ as well as state laws pertaining to, but not limited to, the consumption of alcohol, the use of illegal drugs, or other illegal activities.”

Staff proposes the following revision to the last sentence of J.11 (not 12):

The local representative must respond to complaints in a timely manner to ensure the dwelling complies with the standards for STRs and other city ordinances pertaining to noise, disturbances, nuisances, as well as state laws pertaining to, but not limited to, the consumption of alcohol, or the use of illegal drugs, or other illegal activities.

- Point K - Again, I think it needs to be clear that neighborhood complaints regarding the Short Term Rental given a true emergency should be directed to the police or fire department. Livability complaints or concerns should be directed to the property owner or property manager. Ideally they would contact the PO or PM after contacting the emergency services as well, but in the event of a true emergency it would be very worrisome if neighbors felt they had to contact someone else first.

Staff proposes that the text for section K.1.a be revised to read:

- a. All immediate complaints shall go to the property owner or property manager. The property owner or property manager is required to address any immediate complaints while the offending renter is still onsite. Any emergencies should be reported to police and/or the fire department first.

Again, in reviewing the new proposed plans, I am excited to see many wonderful aspects the planning commission has adapted based on the feedback stakeholders from the community. I feel confident that the final revisions to a Short Term Rental code will be very valuable to the future of visitation to the City of Dundee as it continues to develop into a destination community that we all still enjoy living in. Thank you for taking into consideration my viewpoints of the proposed changes to the Vacation Rental permitting process.

All my best,

Megan
Carda

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**ORDER OF RECOMMENDATION
DUNDEE PLANNING COMMISSION
FILE NO. LURA 20-16**

**AN ORDER RECOMMENDING THAT CITY COUNCIL ADOPT AMENDMENTS TO THE DUNDEE
DEVELOPMENT CODE TO ADD STANDARDS FOR VACATION RENTALS**

RECITALS:

1. The Planning Commission held workshops in September and November of 2021 to discuss potential code amendments to modify the short term vacation rentals section, and related sections, of the Development Code.
2. The proposed amendments would modify the process, rules, and standards for vacation rentals (now proposed to be called Short term Rentals).
3. The modification of the vacation rentals section of the Development Code would implement industry best practices and foster additional rentals while address common issues with such rentals.

THE DUNDEE PLANNING COMMISSION ORDERS AS FOLLOWS:

1. The Planning Commission recommends that the Dundee City Council adopt the following Development Code amendments. Proposed additions to the Code are shown as underlined, deleted sections of 17.203.240 were omitted for clarity.

17.203.240 ~~Vacation~~ Short Term rentals

All short-term rentals (STRs) shall conform to the following standards:

A. Applicability. No person shall occupy, use, operate or manage, nor offer or negotiate to use, lease or rent, a dwelling unit for short-term rental unless issued a STR permit or exempted under this Section. The standards of this section shall supersede the standards elsewhere in the Development Code, unless otherwise stated. This section applies to a dwelling unit in a residential zone built for permanent use that is rented out to one party at a time in its entirety for the purpose of overnight lodging to visitors for less than 28 days at any one time.

B. Purpose. The purpose of this section is to provide a process and standards for allowing STR units while mitigating possible impacts to neighbors. STRs are not considered home occupations.

C. Review Process. There are two types of short-term rentals. Infrequent and standard STRs are regulated below.

4. Infrequent STRs are properties that are available for rent fewer than 30 days total per calendar year. These are:
 - a. Processed as a Type I application (neighbor notification is not required).
 - b. Required to comply with all the standards listed in subsection (I).

b. Limited to no more than four rental periods per calendar year (cumulatively no more than 30 days per calendar year).

c. Exempt from the concentration limits for STRs in subsection (H) of this section.

d. Exempt from the business licensee and transient occupancy taxes as outlined in subsection (E).

5. Standard STRs shall be processed as a Type II application.

6. All STR applications must include (this supersedes the requirements of 17.402.040, except 17.402.040.B.2 and 7):

a. A site plan consistent with the requirements of 17.402.040.B.2.

b. Bedroom and bathroom counts.

c. Images of the following required safety features: Smoke detectors, carbon monoxide detectors, and fire extinguishers. The images should include the date the image was taken.

d. A list of the applicant's rules and requirements for renters. If the STR is approved these will be requirements of the permit.

e. A narrative explaining how the standards below, and the criteria from Section 17.402.050 are met (for infrequent STRs the criteria from Section 17.401.020.C pertain).

D. Notice. A Type II written notice consistent with Section 17.401.030 shall be provided to all neighbors within 200 feet of the property. The notice shall contain all of the following information:

3. The name, address, and telephone number of a local contact person responsible for maintenance and responding to emergencies, so that residents may report any problems with the STR as outlined in Section 17.203.240.K.

4. All other requirements of Section 17.401.030.B.3.

E. Criteria. For both Type I Infrequent Short Term Rentals and Type II Short Term Rentals the criteria are:

5. The proposed STR will not present any burden on neighbors to the property. Any mitigation added such as special landscaping to address possible noise concerns, have been included as requirements of the permit.

6. The applicant has obtained a business license (for all Type II permits).

7. All standards from Section 17.203.240.J have been met.

F. Business License and Transient Room Tax.

5. The owner of the STR shall obtain and annually renew a business license pursuant to Chapter 5.04 of the DMC with the City of Dundee (Type I and II), and shall comply with Chapter 3.04 DMC, Transient Room Tax (Type II only).
6. Failure to renew the business license within 14 months (one year plus two months grace period) of issuance/renewal the STR permit will be void.
7. An STR permit holder must rent the unit at least once during a one-year period in order to renew the business license.
8. All business license renewals for STRs shall include:
 - a. Evidence at the time of renewal that all Transient Room Taxes have been paid in full for the previous year.
 - b. The owner or property owner must annually provide contact information to neighbors within 200 feet of the STR property, including an emergency contact other than the property owner. An affidavit shall be provided with the business license renewal application stating such mailing has been sent.
 - c. The applicant shall provide a log of complaints to the City annually with the business license renewal. This shall include issues addressed by the property owner or manager and all nuisance issues that were addressed by the police.

G. Limits on Permit Transfer. All STR permit approvals will only be valid for the current property owner (not including transfers to trusts, divorces or similar changes in names, but not ownership). Any sale of the property will automatically invalidate the STR permit.

H. Occupancy Limits. The maximum occupancy for the STR shall be two persons per bedroom plus two additional persons. For example, a two-bedroom dwelling would have a maximum occupancy of six persons. Any higher limits may be approved by the Planning Commission as a Conditional Use Permit. The criteria for a higher limit shall include those listed in 17.404.030 and the following additional criteria:

2. The property has unique mitigating characteristics, or other mitigation is provided, that will reduce any possible nuisances to neighbors including but not limited to noise. Fencing, landscaping, and other standard features of residential uses are not considered mitigation. Noise studies may be required.

I. Concentration limits. At no point shall the number of STR permits in the City exceed five percent (5%) of the total number of detached single-family homes in the city, calculated at the time the permit is issued. The burden of proof to demonstrate this is the applicants at the time of application. Infrequent STRs are exempt and do not contribute to the City wide total.

J. Standards.

8. Parking. At least two (2) off street parking spaces must be provided. In addition, one (1) STR parking space may be on-street. All overnight and visiting guests (not overnight guests) must park on the

property in designated parking areas (as shown on the site plan). No unauthorized on-street parking is permitted.

9. Trash and Recycling Facilities. The owner shall provide for and maintain regular trash collection. Available bins must have adequate capacity for the renters, and no uncontained garbage is allowed on the site.
10. Pets. Pets shall comply with DMC Title 6.
11. Noise Limits. All activities associated with the STR shall comply with the noise standards in Chapter 8.28 DMC. Any violations are to be considered nuisance violations.
12. RVs and Other Temporary Shelters. The premises of the STR may not include any occupied recreational vehicle, trailer, tent, or other temporary shelter during the rental occupancy. Tents, including event tents, are not permitted.
13. Nuisances. All activities associated with the STR shall not cause a nuisance as defined in Chapter 8.16 DMC.
14. Posting of Information. The applicant shall keep posted a list of information about the STR adjacent to the front door inside the dwelling. At a minimum, the posting shall include the following information:
 - a. The name and contact information for a local contact person responsible for maintenance and responding to emergencies and/or complaints.
 - b. The current annual STR business license.
 - c. Any requirements for the STR to ensure it complies with this code.
 - d. The location of any safety equipment including fire extinguishers.
 - e. The maximum number of occupants that was approved by the City.
 - f. A list of the applicant's requirements for renters of the property (enforceable as part of this permit issuance).
13. Guest Register. The owner or property manager shall maintain a guest register listing each tenant of the STR along with the number of dwelling occupancy days consistent with DMC 32.04.150.
14. No Type II STR shall be located adjacent (contiguous to the property on the same side of the street) to any permitted Type II STR unit. The Planning Commission may approve contiguous Type II STR permits as a Conditional Use Permit with criteria as outlined in Subsection (H).
15. STRs are allowed in any dwelling unit in a residential zone except multifamily dwellings and Accessory Dwelling Units.

16. For all Type II STRs, the property owner shall designate a local representative that is physically located within the Dundee Urban Growth Boundary (UGB) or within ten (10) vehicular miles of the UGB. Said representative can be a property owner or a licensed property management company with a physically staffed office within ten (10) vehicular miles of the UGB. The owner may be the designated representative if the owner resides within these stated limits.

The local representative must be authorized by the owner of the dwelling to respond to the tenant and neighborhood questions or immediate concerns. The local representative shall serve as the initial contact person if there are questions or complaints regarding the operation of the STR, including immediate complaints. The local representative must respond to complaints in a timely manner to ensure the dwelling complies with the standards for STRs and other city ordinances pertaining to noise, disturbances, nuisances, as well as state laws pertaining to the consumption of alcohol, or the use of illegal drugs.

17. No property owner (private or corporate) shall be issued more than one STR permit.

K. Complaints and Permit Revocation.

3. Immediate complaints.

- a. All immediate complaints shall go to the property owner or property manager. The property owner or property manager is required to address any immediate complaints while the offending renter is still onsite.
 - b. Any unresolved complaints that are not addressed by the property owner or property manager shall be addressed by the local police department as a nuisance complaint.
 - c. The applicant shall provide a log of complaints to the City annually with the business license renewal. This shall include issues addressed by the property owner or manager and all nuisance issues that were addressed by the police.
 - d. Where complaints are persistent and recurring such that they have a detrimental effect to the quiet enjoyment of the adjoining residents, as determined by the City Administrator, the City Administrator may schedule a hearing before the Planning Commission to consider adding additional conditions for mitigation or revoking the short term rental permit. The owner may appeal the Planning Commission decision to the City Council.
4. Standards Violations. Any complaints about a violation of the standards listed in Section 17.203.204.G shall be reported to the city. The city shall notify the property owner in writing of any corrective action necessary to correct the violation, and the owner shall have 30 days to correct the identified issue. If the city receives three or more complaints about violations of the standards listed in Section 17.203.204.G within a 12-month period, the city administrator shall schedule a hearing before the planning commission to consider adding additional conditions for mitigation or revoking the short term rental permit. The owner may appeal the planning commission decision to the city council. [Ord. 563-2018 § 1 (Exh. A); Ord. 537-2014 § 1].

Other code sections effected by these revisions (edits shown in underline ~~strikeout~~)

Table 17.202.020 Zoning Table

Table 17.202.020; Zoning Table	P: Permitted Use; CU: Conditional Use; S: Special Use Requirements Apply; N: Not Permitted										
Uses	Residential			Commercial			Public and Ag				Special Use Requirements
	R-1	R-2	R-3	C	CB D	LI	P	PO	A	EFU	
Vacation <u>Infrequent Short Term Rental</u> , with Three or Fewer Bedrooms	P	P	P	P	P	N	N	N	N	N	DMC 17.203.240
Vacation <u>Short Term Rental</u> , with Four or More Bedrooms	<u>CU</u> <u>P</u>	<u>CU</u> <u>P</u>	<u>CU</u> <u>P</u>	<u>CU</u> <u>P</u>	<u>CU</u> <u>P</u>	N	N	N	N	N	DMC 17.203.240

17.203.260 Accessory dwelling unit (ADU), Subsection C. Standards

7. An accessory dwelling unit may not be used as a ~~vacation~~ Short Term rental.

17.401.010 Purpose and applicability

Table 17.401.010		
Summary of Approvals by Type of Review Procedure		
Approvals	Review Procedures	Applicable Regulations
<u>Infrequent Short Term Rentals</u>	<u>Type I</u>	<u>DMC 17.203.240</u>
<u>Short Term Rentals</u>	<u>Type II</u>	<u>DMC 17.203.240</u>

17.501 Definitions

~~“Vacation rental”~~ “Short Term Rental” means a dwelling unit in a residential zone built for permanent use that is rented out to one party at a time in its entirety for the purpose of overnight lodging to visitors for less than 28 days at any one time. ~~Vacation Short term~~ rental does not include a dwelling in which individual rooms are rented out separately; this type of use would fall under “bed and breakfast establishment.” Any rental in a non-residential zone is a hotel or motel.

“Infrequent Short Term Rental” means a dwelling unit in a residential zone built for permanent use that is rented out to one party at a time in its entirety for the purpose of overnight lodging to visitors, similar to Short Term Rentals; however, Infrequent Short Term Rentals are available for rent fewer than 30 days total per calendar year.

2. This order is based on the staff report, findings shown in Exhibit A, and public testimony.

APPROVED BY THE DUNDEE PLANNING COMMISSION THIS 17th DAY OF MARCH, 2021:

AYE:

NAY:

ABSTAIN:

ABSENT:

SIGNED:

Shannon O’Neill

Date

Planning Commission Chair

ATTEST:

Robert Daykin

Date

City Administrator

ATTACHED:

Exhibit A: Findings

Exhibit A: Findings (LURA 20-16 – Vacation Rental Updates)

Amendments are required to be consistent with all applicable local and state laws including the Dundee Comprehensive Plan and Statewide Planning Goals.

Dundee Comprehensive Plan

Recreation and Willamette River Greenway. Goal: To provide adequate park land and recreation facilities for area residents and visitors and preserve land within the Willamette River Greenway.

Finding: Short term rentals provide a place to stay when recreating in the Wine Country. The changes to the existing regulations will make it easier to establish a short term rentals, because it will create different categories of rentals. The amendments will also minimize nuisance issues for existing residents. Ensuring that renters will be good neighbors. The changes will not incentivize the development of vacant land in the Willamette River Greenway.

Economy. Goal: To maintain a level of economic development adequate to meet public need. Objective (2): To assure that commercial and industrial developments preserve and enhance the aesthetic character and livability of Dundee.

Finding: Short term rentals have been used since 2014 as a tool to bring economic development to the City. The revised regulations will help bolster new STR opportunities in several ways, including creating a two tier system of rentals. This will help assure that all the negative impacts of STRs are more tightly regulated. Examples of this include only allowing one STR in the community per person, placing a cap on the total number of STRs that can be in the City, adding regulations to spread them out, thus not creating one overconcentrated area of STRs, and adding regulations to address street parking. The additional regulations will help balance the need for STRs with the need to keep the community strong and vibrant.

Statewide Planning Goals

Goal 8: Recreational Needs (OAR 660-015-0000(8)) – To satisfy the recreational needs of the citizens of the state and visitors and, where appropriate, to provide for the siting of necessary recreational facilities including destination resorts.

Finding: The proposed Development Code amendments will help strengthen the recreational needs of visitors to the Dundee area by providing them with a more consistent lodging experience, while helping to keep the community quiet and peaceful. The amendments add additional regulations to get faster resolve to local complains, by requiring a local representative to address complaints faster. Limits have been added to how many people can stay in the units overnight, and all parking must be located onsite, not in the street. The additional protections against nuisances will help visitors and residents enjoy the area more, and help foster further visitors.

Goal 9: Economic Development (OAR 660-015-0000(9)) – To provide adequate opportunities throughout the state for a variety of economic activities vital to the health, welfare, and prosperity of Oregon’s citizens.

Finding: The proposed Development Code amendments build on the original regulations to keep up with short term rental industry trends and trends of neighboring towns. The multi-tier system will help casual users, like those who rent their house when they are on vacation, without the need for taxes or a process to go through. While those that rent more frequently will be required to treat the STR like a business, with land use requirements such as tracking (for taxes), required signage, complaint servicing, and ultimately the ability to have the permit suspended if nuisance issues are not addressed. As stated previously, the new regulations will help protect the community, which is one of the reasons renters rent in the area. Therefore, the proposed amendments would further economic development efforts at the local level.

Title 17 Development Code Criteria

17.405.030 Criteria for Map or Code Amendments

Development Code Amendment. Proposals for a development code amendment must comply with applicable comprehensive plan goals and policies, statewide planning goals, and Oregon Administrative Rules.

Finding: These are outlined above.