



**CITY OF DUNDEE**  
**Planning Commission Public Hearing**  
**July 19, 2023**

**ADDENDUM STAFF REPORT**

**File No.: LURA 2023-02**

**Purpose:** The purpose of the addendum staff report is to address the written comments received as of July 18. The letters and emails are attached.

An additional issue at the end is whether the short term rental (STR) standards should require an approved STR to be rented.

**Elizabeth Sundeen Letter, 7/12.**

First Comment regarding Section 17.203.240, E, 1. The first comment follows.

This section states that ‘any concerns identified’ are to be addressed in an undefined ‘application review process’. This is unclear. It also prevents issues from being reported and remedied at any time other than an ‘application review process’. Many issues need immediate attention. This section needs clarification.

Response: Subsection E, 1, is an approval criterion that a short term rental (STR) application must address and show that the application meets the criterion. It states:

*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 mitigations added to address concerns have been included as requirements of the permit. Mitigation may be required to the satisfaction of city staff.*

The phrase quoted in the letter, i.e., “any concerns identified” is not found in Subsection E, 1. The operative phrase in E, 1, is the “...STR will not present any burden on neighbors to the property.” Subsection E, 1, is an approval criterion the application must address. It could be described as a subjective criterion. Consistent with a subjective criterion the phrase “any burden” could include many elements. The staff proposed amendment would have it read “...will not present an unreasonable burden....”

The approval criterion E, 1, does not prevent issues from being reported and remedied at any time. A party at any time may contact the Local Representative, or depending on the issue, the police, fire or medical agencies. Section 17.203.240, K, addresses “Complaints and Permit Revocation” for those neighbors who have identified any concerns and want to report them.

Second Comment regarding Section 17.203.240, F, 4, b. The second comment states in part.

This section should be amended to “The STR owner must annually or at the time of a change in the Local Representative mail via”.

Response: Subsection F, 4, b, is a requirement for the STR owner to send an annual notice providing contact information for the Local Representative. It states:

4. *All business license renewals for STRs shall include:*
  - a. Not shown.
  - 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.*

The Second Comment is addressed in the staff proposed amendments which would have 4, b, read as follows:

- b. The STR owner must annually mail via the U.S. Postal Service the contact information, including the phone number and email address, for the Local Representative to the owners and occupants of properties within 200 feet of the STR property. An affidavit shall be provided with the business license renewal application stating such mailing has been mailed.

Third Comment regarding Section 17.203.050 addresses Bed and Breakfast operations. The third comment refers to Bed and Breakfast operations as a type of short term rental and contends Bed and Breakfast operations “...must be required to comply with 17.203.240 sections B through K in addition to the requirements in 17.203.050 (Bed and Breakfasts).

Response: Bed and Breakfast operations are not the same as Short Term Rentals (STR). Oregon Revised Statute 624 defines Bed and Breakfast operations and sets forth standards. For example, Bed and Breakfast operations are inspected at least once per year by the Oregon Health Authority and a Bed and Breakfast operation is defined as offering meal service (breakfast).

There are no short term rental standards in the Oregon Revised Statutes.

The STR and Bed and Breakfast operations are treated differently in the Oregon Revised Statutes. They are treated differently in the Dundee Municipal Code. They are not the same and should not be mixed

together in the Dundee Municipal Code. Where the Bed and Breakfast standards in Section 17.203.050 are found by the City to need amendments, a review can be initiated.

Fourth and Fifth Comments address the amount of undeveloped land within the urban growth boundary and states, “The proposed 200 foot radius is inadequate.” The comments note McMinnville has recently adopted a 500 foot radius. The comments refer to Statewide Planning Goal 10, Housing, and contends the 200 foot radius “would permit a density of STRs that cannot comply with the requirements of Goal 10. The comment does not state which requirements of Goal 10 would be violated.

Response: The Planning Commission will take the opposition to the 200 foot radius under advisement and can increase the distance if desired. The comments do not state which requirements of Goal 10 would be violated. Regarding the possible violation of Goal 10, the current STR regulations allow STRs to be on alternating lots which would allow a significantly greater density than the proposed 200 foot radius. The current STR regulations did not garner comments from the Oregon Department of Land Conservation and Development, the Oregon Housing Land Advocates or the Fair Housing Council of Oregon regarding Goal 10 when they were proposed in 2021 and no comments from the identified State agency and nonprofits have been received for the 2023 proposed amendments. It is not clear the current or the proposed 200 foot distance would violate Goal 10, Housing.

**Mike Sherwood email, 7/18.**

First Comment. The proposed 200 foot distance is “...WAY to close together for additional STRs.” He proposes 1,000 feet, but acknowledges 500 feet was recently adopted by McMinnville. The email also indicates the 200 foot distance “allows a rental for every 4<sup>th</sup> house.” He lives across from an STR and states “it’s a party every renter.”

The email also objects to the notice provided for the July 17 Planning Commission hearing. The response is combined with another objection to the notice at the end of this staff report.

Response: The Planning Commission will take the opposition to the 200 foot radius under advisement and can increase the distance if desired, or develop a new approach to address the density of STRs.

**Stanley Meyers Letter, 7/18.**

First Comment. The comments address neighborhoods as “living in community,” the quality of life, the transient nature of STR occupants and safety in neighborhoods.

Response: The Planning Commission will take the opposition to the 200 foot radius under advisement and can increase the distance if desired, or develop a new approach to address the density of STRs.

**Elizabeth Sundeen Letter (7/14) and Mike Sherwood Email (7/18) objecting to the notice.**

The letter and email object to the mailed notice provided for the July 19 Planning Commission hearing. The mailed notice was provided to the owners within 200 feet of each existing Vacation Rental and Short Term Rental. They contend the notice should have been mailed to all owners of properties in the

R-1, R-2, R-3 and Agricultural (A) Districts because the proposed amendments affect properties in the R-1, R-2, R-3 and Agricultural (A) Districts.

The Planning Commission will open the hearing on July 19 to accept testimony from those parties in attendance in person and via zoom who have prepared testimony and are prepared to present their testimony on July 19. The Commission will continue the hearing to August 16 and the City will mail a new notice to all owners of properties in the R-1, R-2, R-3 and Agricultural (A) Districts at least 20 days prior to the continued hearing to allow time to prepare comments.

**Additional Issue: Require Approved STRs to be Rented.**

In response to the proposed 200 foot distance requirement the City has received inquiries from property owners who want to protect their ability to have a STR by applying for and obtaining an STR approval, but not implement the approval until years later when they are ready to turn the house into an STR. For example, when they are older and would move to a smaller house or move to retirement housing with levels of care as they age.

Typically, land use approvals must be implemented within a period of time. For example, the Dundee Municipal Code requires conditional use permits, variances, and site development review approvals to be implemented within a 1-year period. Subdivisions must record a final plat within 1.5 years.

It would appear the current STR language at Section 17.203.240, F, 3, which requires an approved STR to generate at least \$500 in transient room taxes per year, would address the issue. Section 17.203.240, F, 3, states:

*3. An STR permit holder must generate at least \$500.00 in transient room taxes pursuant to Chapter [3.04](#) DMC over any continuous 12-month period; otherwise the STR permit will be void.*

Where at least \$500 in transient room taxes is not generated during the year the STR is voided by action of the law. For example, no enforcement action or public hearing need be initiated for the City to declare the STR is voided, although the City would notify the owner that the STR is no longer in effect.

**Staff Recommendation:**

Staff recommends the Planning Commission conduct a public hearing on July 19, receive testimony, continue the hearing to August 16, 2023 at 7:00 p.m. at the Dundee Fire Station Community Room and accept any additional testimony.

A proposed motion could be: I move the Planning Commission continue the hearing to August 16, 2023 at 7:00 p.m. at the Dundee Fire Station Community Room to accept additional testimony.

Attachment 1 – Sundeen Letter 07.12.2023

Attachment 2 – Sundeen Objection to Notice 07.14.2023

Attachment 3 – Sherwood Testimony and Objection 07.18.2023

Attachment 4 – Meyers Letter 07.18.2023

LURA 2023-02

Planning Commission

19 July 2023

I am submitting this for the record of the 19 July 2023 Planning Commission hearing and for inclusion in the Commission packet for this hearing.

17.203.240 E.1. This section states that “any concerns identified” are to be addressed in an undefined “application review process”. This is unclear. It also prevents issues from being reported and remedied at any time other than an “application review process”. Many issues need immediate attention. This section needs clarification.

17.203.240.F.4.b. This section should be amended to “ The STR owner must annually or at the time of a change in the Local Representative mail via”. Unless this change is made, the requirements of 17.203.240.F.4.c. and 17.203.240.K.c. for a complaint log cannot be met. If no Local Representative can be contacted, no complaints can be logged. Enforcement of STR requirements is inherently difficult as police reports are not forwarded either to the city or to a Local Representative. It is necessary to have a clearly designated Local Representative at all times, especially in case of an emergency.

Three types of STRs are currently allowed in Dundee. 17. 203.050 allows Bed and Breakfast Inns in residential zones with a maximum stay of 28 days/ guest. Bed and Breakfast Inns , as STRs, must be required to comply with 17.203.240 sections B through K in addition to the requirements in 17.203.050. The occupancy limit of 10 guests should be applied to Bed and Breakfast Inns. The three bedroom limit and the Conditional Use process for allowing four or more bedrooms should be eliminated. This is unclear and the Code should be consistent with respect to number of bedrooms and the occupancy limit set for all STRs. The Planning Commission could choose to alter 17.203.050 or to add Bed and Breakfast Inns to 17.203.240. The Bed and Breakfast Inns are currently unlimited in number. As STRs, they must be included in the 5% limit and must comply with the spacing/density requirements of all STRs.

It is necessary to consider that Dundee has an exceptionally large amount of undeveloped land within the urban growth boundary of the city. To the east, the city limits extend to the Willamette River, about a mile from the Rolling Acres subdivision. The eastern urban growth boundary extends to the floodway of the river established by the 1996 floods. The city extends to the south along Fulquartz Road beyond the sewage treatment plant and natural area park. Part of this land has been rezoned Public and part has been rezoned High Density Residential. It’s highly improbable that future residential zoning will be anything other than High Density Residential. Currently about 50 STRs – excluding the unlimited Bed and Breakfast Inn STRs – are allowed. That number can reasonably be expected to increase to at least 150 STRs as foreseeable development occurs. The city of McMinnville, this year, imposed a moratorium on STRs until the radius around each was extended to 500 feet. The 500 foot radius is now required and

the moratorium has been lifted. The 200 foot radius around each STR is inadequate. The 200 foot radius would permit a density of STRs that cannot comply with the requirements of Goal 10 and therefore cannot comply with the requirements of the Dundee Comprehensive Plan. Continuing to exclude Bed and Breakfast Inn STRs from the STR requirements would exacerbate noncompliance with Goal 10 and the Comprehensive Plan.

Oregon Statewide Planning Goal 10 applies to all changes in land use in the state of Oregon. This was reaffirmed by the state legislature before the close of this years' legislative session. Goal 10 requires the city to have a Comprehensive Plan which is required to comply with Goal 10. Dundee's Comprehensive Plan requires consideration of Dundee's adopted vision statement. Both Goal 10 and the city's Comprehensive Plan override Dundee's Development Code which must therefore comply with both.

Elizabeth Sundeen

392 SW Dogwood Drive

12 July 2023

Objection to Notice - LURA 2023-02

I have read the online packet for the 19 July Planning Commission hearing.

I object to the notice sent for the 19 July Planning Commission hearing on LURA 2023-02. The notice is deficient in two ways.

- 1) One of the three currently allowed types of STR is being eliminated in the proposed code revision. The intermittent STRs are unlimited in number and have no spacing requirements. Therefore this proposed change of land use affects all single family dwellings in zones R-1, R-2, R-3 and Agricultural and all lots in these zones on which a single family dwelling could be built. State law requires that each of these impacted property owners receive the required notice. The notice that I received stated that the notice was sent only to property owners within 200' of an existing STR. My notice did not include the proposed elimination of intermittent STRs.
- 2) The notice I received stated that the notice was sent to property owners within 200' of an existing STR. The 200' radius around each STR has not been enacted into the Development Code. Radiuses of 500' to 1,000' have been proposed for this code revision and for the previous code revision. McMinnville just enacted a 500' radius. It is unacceptable to assume a 200' radius for the purpose of meeting the state requirements for proposed change of use of land. The notice also assumes that the number and location of existing STRs is permanent and that there will never be an increase in number or any change in location. This assumption is not true. There are currently fewer licensed STRs than the code allows. As the approximately 300 acres of available land in Dundee develops, the allowed number of STRs will increase. Because it is impossible to determine the locations of future STRs, the future number of STRs, or the radius around STRs, all single family dwellings in the four zones and all lots on which such dwellings can be built, are impacted by the proposed change and must receive the proper notice.

Elizabeth Sundeen

**Melody Osborne**

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**From:** Michael Sherwood <arbre@comcast.net>  
**Sent:** Tuesday, July 18, 2023 10:02 AM  
**To:** jjacks@mwwcog.org  
**Cc:** Melody Osborne; Steve Dahl  
**Subject:** Objection to Notice - LURA 2023- 02 Planning Commission 7/19 Hearing

My name is Mike Sherwood. I live across the street from an vacation rental here in Dundee.

I am objecting to this hearing. It is legally deficient in that it only notifies people who are within 200 feet. That is the NOTIFICATION distance, but this hearing sets a standard of siting a STR within 200 ft., and that has not been established as code. This change of allowing an STR within 200 ft. affects everyone in the City so EVERYONE should get a notice, not just those within 200 ft. of an existing STR.

Plus this hearing eliminates one of the categories of STR's. I don't believe this can be done without larger notification. (intermittent STR)

200 ft. is WAY to close together for additional STR's. I would propose 1000 ft. but 500 ft. is what McMinnville just adopted. 200 ft. is a gift to the rental community and a slap in the face of existing homeowners. Given the average house frontage is maybe 75-100 ft, that allows a rental every 4th house. I live across from an STR, it's a party every renter. I don't think this is what we want for Dundee.

But first, this notice legally deficient. It should notify everyone in the City. The meeting should be cancelled and new notices sent out.

Mike Sherwood  
876 SW Alder St.  
Dundee  
503-476-2808

June 18, 2023

To:

Dundee Planning Commission

RE:

LURA 2023-02

19 July 2023 Planning Commission Hearing

Dear Planning Commission,

I am writing this letter to express my concerns with the proposed 200 foot radius proposal for the STR provisions.

Those of us who live in our residential neighborhoods raise children, develop friendships (many of them long lasting), watch over each others properties, and live in what can be referred to as 'living in community'. Too many VR and/or STR's in residential neighborhoods would severely detract from the opportunity to live in cooperation and relationship with our neighbors. Friendships and living in community with our neighbors will be very negatively impacted by homes that are occupied by folks who are essentially transient. Safety of our children with unknown strangers moving in and out to these homes is also a concern.

In short, too many VR and/or STR's in a neighborhood will cause a significant, if not severe, negative impact on the safety and the quality of life in our family, residential neighborhoods.

With this in mind, I strongly recommend that a minimum rule of 500 feet, if not more, be set for this ruling.

Thank you for your consideration of these concerns and the welfare of family life in our Dundee neighborhoods.

Respectfully submitted,

Stanley k. Meyers  
160 SW Brier Ave.  
Dundee, Oregon