

Minutes  
**City of Newport Planning Commission**  
**Regular Session**  
**Newport City Hall Council Chambers**  
**Monday, June 9, 2014**

**Commissioners Present:** Jim Patrick, Rod Croteau, Gary East, Bill Branigan, Bob Berman, and Mike Franklin.

**City Staff Present:** Community Development Director Derrick Tokos and Executive Assistant Wanda Haney.

**A. Roll Call.** Chair Patrick called the meeting to order in the Council Chambers of Newport City Hall at 7:05 p.m. On roll call, Berman, Croteau, Patrick, Franklin, East, and Branigan were present.

**B. Approval of Minutes.**

1. Approval of the Planning Commission regular session meeting minutes of May 27, 2014.

**MOTION** was made by Commissioner Croteau, seconded by Commissioner East, to approve the Planning Commission minutes as presented. The motion carried unanimously in a voice vote.

**C. Citizen/Public Comment.** No comments on non-agenda items.

**D. Consent Calendar.** Nothing on the consent calendar.

**E. Action Items.** No action items.

**F. Public Hearings.**

Quasi-Judicial Hearings:

1. **File No. 3-CUP-14.** Consideration of a request submitted by Eric & Cherie Gullerud per Chapter 14.25.020(E)/ "Bed and Breakfast and Vacation Rental Facilities – General Provisions" of the Newport Municipal Code (NMC) for a conditional use permit for approval of a vacation rental in a residence where the requirements per NMC 14.25.050 for off-street parking spaces cannot be met. The residence is located at 732 NW 2<sup>nd</sup> Ct (Assessor's Map 11-11-08-BB; Tax Lot 11700).

Patrick opened the hearing portion of the meeting at 7:06 p.m. by reading the statement of rights and relevance. He asked the Commissioners for declarations of ex parte contact, bias, conflicts of interest, or site visits. Berman, Croteau, Franklin, and East declared site visits. Patrick called for objections to any of the Commissioners or the Commission as a whole hearing this matter; and none were heard. He read the summary of File No. 3-CUP-14 from the agenda and called for the staff report.

Tokos noted that he had with him the complete record of the case should anyone need to see it. He explained that the request is for a Conditional Use Permit for relief from the off-street parking required normally, which is one space per bedroom, when an application is made for a vacation rental. The application also mentions relief for landscaping. As explained in the staff report that is not necessary because the property is not in a residential zone. The landscaping requirement applies to residentially-zoned property. Tokos read the criteria for a Conditional Use Permit from NMC Section 14.34.050. He noted that the staff analysis goes through each of these; and the applicant's responses are included in the report as well. Tokos said he saw no issues with the first criterion. The request complies with the second criterion. The only overlay on the property has to do with the design of buildings and has no real bearing on this type of proposal. He said the most pertinent issue is the criterion dealing with adverse impacts greater than existing properties. One primary reason for off-street parking is to insure sufficient parking is available for renters and is not overtaxing on-street parking so adjoining homes don't have access to it. There is a lot of demand for on-street parking in this location. There are a limited number of residences in this location. As outlined in the staff report, Tokos believes that the Commission can find that there are enough on-street spaces to accommodate the vacation rental use. This is an area that is developed and has established uses on it. Regarding the last criterion, there are no proposed building modifications. Tokos said that for reasons outlined in the staff report, he believes the Commission has grounds to find that it would be appropriate to grant relief from this one standard. The applicant would still need the VRD endorsement and to meet all other requirements for vacation rentals; it would just be off-street parking that they would be relieved from.

Berman said that because he drives that street regularly, he had a general thought. He said it's usually fine, but if a large pickup is coming in the other direction; it's just a real standoff. He wondered if there is any possibility of considering making that a one-way street. Tokos said that he doesn't think the City has looked at it; but for purposes of this CUP, we have to consider it to be two-way traffic. A change like that would have to be reviewed by Public Works. Berman wondered if that is something worth looking at.

Tokos said if that evaluation were to be done, they would be looking at the potential to add angled parking to take it down to one way kind of like the street to the north. Franklin noted that NW 2<sup>nd</sup> Court is a lot narrower. Berman said that he thought that might be a nice way to mitigate a potential parking problem; but he doesn't think we should hold up approval. Tokos said we probably would have to take parallel parking off one side if we went with angled parking. Franklin said that the way he looks at it, with a 3-bedroom home they could have three vehicles; and that is the way it has been impacted all along. There is not much of an impact. It won't be putting more on the street than before. He asked about going away from the landscaping coverage standard and allowing them to park in the front yard. Tokos said that would require structural modification. The house is within eleven feet of the property line. They don't have the width for parking on the side; they only have five feet from the side. Branigan wondered if we knew how many homes on that street are vacation rentals; and it was noted that maybe the applicant could answer that.

**Proponent:** The applicant, Cherie Gullerud, 1290 NW Kline Pl, Corvallis, OR 97330, came forward to testify. Gullerud explained that they purchased the house in October 2013. They used a loan to update the plumbing, wiring, and interior. She said that they worked hard to keep the craftsman style of the home. They used all local contractors. Ideally they would love to live in it; but they are several years away from retirement. They felt the highest and best use of the house would be to turn it into a vacation rental. Also, they would like to recoup their expenses. Because it is close to the beach, they feel it would make an ideal year-round vacation rental; and they would like to join the ranks of such rentals. She noted that the code requires an off-street parking space per bedroom; and the house has three bedrooms. The lot is 2,578 square feet, and the house takes up the bulk of the lot. They could talk about trying to put parking in the front lawn, but it would probably have to be some sort of drive-through and would destroy the culture of the neighborhood. Gullerud said that it's their desire that the conditional use permit be granted so that friends and family can enjoy the residence. They wanted to take this step before applying for a rental license. She said that she didn't believe that any house on 2<sup>nd</sup> Court is used as a vacation rental. She described the uses of the surrounding houses.

Berman said that one alternative would be to use it as a monthly rental, which wouldn't have the same requirements. He asked why they chose to do a vacation rental. Gullerud said that they wanted to have the opportunity to come out here and visit. She said they have a pretty extensive family, and everyone loves to come to Oregon. They wouldn't want to tie up the house. If it proves not to be lucrative, they would. She noted that everything has been upgraded, and it would be a nice monthly rental; but it has no driveway and very little storage, which lends itself to a short-term rental.

Branigan asked Gullerud if she would manage it herself or have a local management company. Gullerud said that a neighbor has a real estate license and has expressed interest in managing it for her. She noted that she comes from a long family line of rentals; but mostly low income. She has done a lot of month-to-month rental. She would like to try this.

There were no other proponents or opponents present to testify.

Patrick closed the public hearing at 7:24 for Commissioner deliberation. Berman said that his only concern, being a regular user of that street, is parking. He doesn't see any way around it. He will go ahead and vote for the conditional use permit. He would like to request that Gullerud encourage those renting to bring as few cars as possible. He said that he would encourage her vacation rental to be considerate of the neighborhood and minimize the number of cars. Croteau believed that the conditions are met for approval. He sees no problem. Franklin said he also would be in favor of approval. He wished there was another opportunity for parking. He noted that many times people bring boats, which could clog up that street. East agreed and believed the request should be approved. He noted that on 3<sup>rd</sup> Street heading toward 101, there is a lot of parking established, but it might be a bit of a walk. Branigan concurred, but subject to the owners making application for endorsement for vacation rental and going through the inspection to determine conformance with the basic safety and health elements. Patrick concurred. He felt that it met the criteria. He noted that Nye Beach has its problems with the small lots; but that's part of its charm.

**MOTION** was made by Commissioner Croteau, seconded by Commissioner East, to approve the conditional use permit as requested in File No. 3-CUP-14 with the conditions indicated by his fellow Commissioner. Berman noted that he didn't see in the materials the list of people to whom the notice was sent. It was confirmed that those required to receive notice had. Gullerud had a question about 3<sup>rd</sup> Street. She said they wanted to advertise limited parking and wondered if it would be okay to give a map and suggest the best parking is over here. She wondered if it's okay to park at the PAC when nothing is going on. Croteau said people park there all the time. Berman noted that it is City property. Tokos said they are welcome to park in any public lot. They should be considerate of the areas that are time limited; but they are clearly posted for three hours. People are free to park at the PAC and the VAC. The motion carried unanimously in a voice vote.

Tokos noted that he will have a Final Order available for signature at the next Planning Commission meeting and then will get it in the mail to Gullerud.

**G. New Business.** No new business.

**H. Unfinished Business.**

1. Tokos asked Berman to apprise the others on the medical marijuana letter presented to the City Council. Berman noted that the Council had asked him up for his comments. And he described what was in the minutes and in the letter. He recalled that essentially

the Commission had recommended three and rejected three requests from the Chief of Police. The Chief also had an opportunity to testify before the Council. In the end, the Council referred the matter to the Business License Task Force for priority consideration. That Task Force will be taking a look at it shortly. The Council specifically wanted to reopen one thing that the Commission rejected, which was that the police department be called first when there is an alarm. Berman said it is a good argument and sees why the Chief would want that; but he thinks the Chief will get tired of it quickly. The Business License Task Force will take a look at that. Berman said that the Council thanked the Planning Commission for our work. They agreed it was not a land use matter. Tokos said the Business License Task Force will pick up on that at their next meeting on the 17<sup>th</sup> at 3:00 p.m. Croteau noted that he is now the only Commissioner on that Task Force. Berman said that he would be willing to fill in on the Business License committee. It was felt that it would be worthwhile to have two representatives.

2. Tokos noted that he had hoped to have materials for this meeting regarding beachfront protective structures. It will come in a work session. He noted that there are a couple of options for the Commission, and he has to frame them right. He has to see how much the Commission wants to get into and how much to push off to the State Parks Department. He should have that in a couple of weeks.

3. Tokos noted that the Comprehensive Plan amendments to the Library Services element will be before the City Council at their next meeting on the 16<sup>th</sup>.

#### **I. Director's Comments.**

1. Tokos said that at their next meeting, the City Council will consider a MOU with the Port dealing with Yaquina Bay Fruits' maraschino cherry operation. They have been operating in violation of their conditional use permit for some time. There is a path now with the text change that would allow manufacturing in relation to retail, which would allow them to change their model to something akin to what the Rogue is doing. It would still be manufacturing but would have a retail component. Yaquina Fruits would have a display of their manufacturing and a gift shop with a maraschino cherry candy line. It will require reconstruction of their facilities and paving of their parking lot so there is a significant cost involved. The owner, Harry Noah, decided it wasn't economical. That is where we left it; but now he's changed his mind. The Port has to do a lease extension and asked if the City could work with an additional twelve months, which we can do but we want it in writing so that we don't have him coming back saying he needs another twelve-month extension. Tokos said the Commission will likely see a conditional use permit in the next four to six months.

2. Tokos noted that he will be putting together an application for a Transportation Growth Management Grant. Matching funds are in the budget. It is taking LIDs as a way of financing improvements. The City hasn't done an LID for a while for a number of reasons. We can take that and work with the TSP standards in a better way. We can put something together for people to better understand what LIDs are and how they work. The Commission will see the public outreach and engagement piece. The City has several areas where we have a number of remonstrance agreements. Tokos said this will lead to code changes.

3. There will be a work session with the City Council on the parking districts. Tokos is inviting representatives from the different districts to participate. The Council wants to check in on how these districts are going.

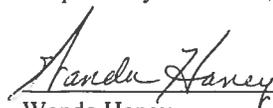
4. Tokos said that at their next meeting, the Council will appoint Lee Hardy to fill Jim McIntyre's position on the Planning Commission.

#### **J. Commissioner's Questions.**

1. Berman asked Tokos if he wasn't going to meet with the County about Urban Renewal. He asked if they are inclined to go along with it and not make waves. Tokos said that we have met with the County, and they are receptive to the concept. We will be meeting with them again. He expects that the County will be supportive of the concept.

**K. Adjournment.** Having no further business to discuss, the meeting adjourned at 7:40 p.m.

Respectfully submitted,

  
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Wanda Haney,  
Executive Assistant