

MINUTES
City of Newport Planning Commission
Work Session
Newport City Hall Conference Room A
October 8, 2018
6:00 p.m.

Planning Commissioners Present: Jim Patrick, Lee Hardy, Bob Berman, Mike Franklin, Bill Branigan, Rod Croteau, Bill Branigan, and Jim Hanselman.

PC Citizens Advisory Committee Members Present: Dustin Capri.

Public Members Present: Carla Perry, Cathey Briggs, Frank DeFilippis, Norm Ferber, Wendy Engler, and Jamie Michel.

City Staff Present: Community Development Director (CDD) Derrick Tokos; and Executive Assistant, Sherri Marineau.

1. **Call to Order.** Chair Patrick called the Planning Commission work session to order at 6:00 p.m.
2. **Unfinished Business.** None were heard.
3. **New Business.**
 - A. **Review Draft VRD Code Amendments.** Tokos reviewed the materials that were handed out to the PC at the meeting and reviewed the amendments and rationale of the changes to the VRD code. Croteau asked if the purpose was to discuss and question what was in the draft ordinance. Tokos said because they couldn't take up in hearing until Nov 12th, and because there needed to be a full City notification, there would be a couple of work sessions to discuss the amendments. Croteau asked about the requirements for notification and asked if it was for just zone changes or any ordinance that affects use. Tokos said if any change affected the use on a property, we would be required to send out notices. Croteau as worried about the substantial change in 2012. Tokos said this didn't restrict the use in a manner that would trigger this. Croteau asked what the total housing stock in Newport was. Tokos said the last census was 5,500.

Branigan asked if the VRD Ad-Hoc Committee (AC) members present could comment. Patrick said previous practice was that if they were in the room they could participate. Berman asked what the schedule represented. Tokos said the City Council (CC) requested that they had an opportunity to act on the amendments before the new CC was structured. In order make this happen it was what needed to happen to make this happen. There would be a couple of opportunities for the PC to have work session meetings on this.

Tokos reviewed the Chapter 4.25 amendments, the purpose statement and definition. Patrick asked how accessory dwelling units were considered. Tokos said they would as vacation rentals and explained a homeshare was when you had a primary dwelling with one or two rooms made available for rental. Croteau thought they might want to define occupant. He said on page 24, maximum occupancy should have "premises" added. He thought this portion should be given more prominence in the statute. Berman questioned eliminating the word "overnight" for occupancy and what it meant to the fire code occupancy. Tokos said it was relevant because the fire code occupancy would be far greater than what the limitation would be. Berman felt that having "other than a bed and breakfast or homeshare" was redundant in the definition of vacation rental. Tokos said it was put in to just make things clear. Berman thought the "as to take the need for a fire exit into account" was different than a fire exit. Patrick explained that an egress was an exit to outside. Berman suggested changing it to "has a fire exit". Patrick suggested saying "primarily for sleeping purposes". Tokos said it could be tied into other statutes with similar terms.

Tokos reviewed the annual short-term rental business license, application information, and filing fees next. He explained how the city business licenses application worked and compared it to the VRD endorsement license. Branigan asked if it should be mileage from the VRD for response time or if it should be 30 minutes. Berman said the AC wanted 30 minutes. Hardy asked if the representative would act in lieu of a compliance officer. Tokos said the representative was someone who resided within 30 minutes in this context. How complaints were handled would be part of a later discussion. Patrick asked if they should add that the insurance had to be in place before the units were rented. Tokos said they could look at this in the "ongoing" section. Tokos noted that applicants could show photos for the annual renewal to show that the units are still available for rent. Berman asked that the "dated photos" be changed to "dated within the last 90 days". Tokos to change this.

Tokos reviewed the proof of residence for home shares and bed and breakfasts. He noted the fire department wanted to try to do annual fire inspections but didn't want to commit to this due to staffing restrictions. Tokos said that the fees would cover the cost of a third party vendor to assist with a centralized complaint system, and dispatch system. The cost for the vendor would be around \$30,000 a year and annual license fees would cover this cost. Croteau asked where the third party was in the ordinance. Tokos said the motion was captured in the minutes but it couldn't be written into the code. Hanselman said much of what was done here was in the context that the third party would happen. He noted how the police said they couldn't get to all the complaints as it was. Tokos said what a third party vendor would do would be to help with compliance. They would share with the City who wasn't in compliance and would provide a 24 hour dispatch to the designated contact. The police would continue to dispatch to deal with nuisances. Hanselman said that the thought was that the third party would help determine the infractions of VRDs and noted that they sold different types of packages to cities. Tokos said their enforcement would be a letter to notify the owner that the VRD wasn't in compliance and then the PD would do the day to day enforcement. Franklin asked if the license fee covered the third party costs. Tokos said the city never had full cost recovery and the city had to balance the general public benefit compared to the applicant benefit. The general public benefit shouldn't be totally on the applicant and there needed to be a balance. Franklin asked what the value of a license transfer would be for a property. Tokos said this hadn't been discussed and explained that there had been a lot of different concepts coming through. When they determine how the alternatives mash up, that will give us some answers for this. Berman asked why the third party vendor couldn't be put in the code. Tokos said it wasn't included because you couldn't codify that you were going with a third party vendor which was a private entity. He didn't feel it was a major issue and there was consensus with the City Manager to go with a third party vendor. Berman asked if they would specify how often the vendor would review for compliance. Tokos said they would put this into the contract. Hanselman said there would still be issues with enforcement with a third party vendor. Patrick asked why the renewal would happen on July 1st. Tokos said it was the end of the fiscal year.

Tokos reviewed the transferability alternatives next. Capri asked if transferability mattered if they had to renew every year. Tokos said if caps were not in place, no. Franklin said they would have to have proof of a use of 30 days per year. Croteau said on B.3 "across the street" was too restrictive and should be changed to "is transferable in most cases where the property is within a commercial zone or proximate to a commercial zone where such uses are proved". Tokos asked what proximate was. Croteau said this might be a good example of where you would want a conditional use and there needed to be some flexibility. Tokos said you would have to change the transferability provisions into the Chapter 14 provisions because that was the only place you could have a condition use outlet. Tokos explained the AC's thought process was trying to find a way to define it in a clear an objective manner. A discussion ensued regarding how to measure the distance. Tokos said it would have to put in Chapter 14 provisions if they wanted flexibility. Berman asked how Tokos envisioned whittling down the policy alternatives. Tokos encouraged the PC to think about how they wanted to whittle these down now and said that the PC needed to take public testimony before they could make a decision. The concept was that it would be nice to give the CC a recommended road map with instances of where there wasn't consensus. Norm Ferber addressed the PC and said the intent for transferability was to create a business entity. The ability to sell as a business and transfer it wasn't any different than any other business in town.

Tokos covered the business license endorsement and endorsement renewal next. Tokos noted that once the new code went into place all VRDs would be non-compliant. They would have to reapply with all the criteria. Croteau asked if they were prohibited in an area they were not allowed, would that make them automatically nonconforming. Tokos said yes and there were some provision that we would have to talk about on how that might happen. Berman asked what the rationale was to not send notices beforehand. Tokos explained that they didn't want payments coming in for a future fiscal year before the end of the existing fiscal year. Carla Perry addressed the PC and asked if VRDs continued to operate after the date would there be a fine. Tokos said it would be a civil infraction. They would get a ticket by the Police Department and would have to go to court. Perry asked if additional language needed to be added for this. Tokos said the language included that the ability to operate shall be conclusively presumed to be discontinued with no further action by the city. Their endorsement is gone and meant they were operating without an endorsement license. Capri said instead of saying renewing endorsement it should say applied for a new endorsement. A discussion ensued regarding what the city would do to get the VRDs compliant. Tokos explained this only applied to renewals and owners would have 45 days to renew. He said anything could be structured administratively so it wasn't a burden for renewal.

Wendy Engler addressed the PC and asked for the new alternative map and asked what the timeframe for the DLCD application was. Tokos said they couldn't do an initial hearing before 35 days and the earliest the PC could hold a hearing was November 12th. He noted the PC could meet earlier at the next work session meeting to have more time to discuss. Berman preferred to reconvene after the regular session.

Tokos reviewed the approval standards next. Perry asked if the contact didn't show up without a response, what would happen. Tokos said this didn't fit within the approval section and would be part of a different section.

Tokos reviewed the VRD schedule with the PC and how the proceedings would go. He suggested pushing the November 26th meeting out to an off day because of the holiday.

4. **Director's Comments.** No Director comments.
5. **Adjournment.** Having no further discussion, the meeting adjourned at 6:57 p.m.

Respectfully submitted,



Sherri Marineau,
Executive Assistant

