NEWBERG PLANNING COMMISSION MINUTES July 13, 2023

CALL MEETING TO ORDER:

Chair Musall called the meeting to order at 7:00 p.m.

ROLL CALL:

Members Present:

Kriss Wright, Michael Griffiths, Sharon Capri, Jeffrey Musall, Linda Newton-

Curtis,

Members Absent:

Jason Dale, Layne Quinn, Avery Hansen,

Staff Present:

Community Development Director Doug Rux; Office Assistant Fé Bates;

Planning Manager Clay Downing.

PUBLIC COMMENTS: None

CONSENT CALENDAR: None

QUASI JUDICIAL PUBLIC HEARINGS:

VAR23-0001 – Request for a variance to reduce the minimum number of required off-street parking spaces

VAR23-0001 Staff Report 7-13-23.pdf

Attachment 1. Application and Supplemental Materials.pdf

Attachment 2. Agency Comments.pdf

Attachment 3. Public Comments.pdf

Attachment 4. VAR23-0001 Supplemental Packet 6-2-23.pdf

Attachment 5. VAR23-0001 Supplemental Packet 6-5-23

Attachment 6. 6-8-23 Public Comment Forms.pdf

Attachment 7. Public Comments Received after 6-8-23.pdf

Chair Musall opened the public hearing and called for any abstentions, bias, ex parte contacts, or objections to jurisdiction. Commissioner Griffiths declared he was a member of the Newberg Downtown Coalition, but he did not participate in any discussion regarding their letter of support. Commissioner Newton-Curtis declared she lived within 500 feet of the cultural center but would not let it affect her vote.

CDD Rux read the legal announcement

PM Downing presented the Staff Report regarding the requested variance to reduce the minimum number of required off-street parking spaces at the Chehalem Cultural Center (CCC) by 40 parking spaces. He reviewed the applicable review criteria, purpose of a variance, the application's background, site and zoning information, site plan, recent activity, supplemental materials, previous land use decisions. The variance would accommodate future renovations that would result in an expansion of its occupancy and operational capacities. Because the Applicant requested a reduction in minimum number of parking spaces based on reduced facility loading scenarios, the Applicant would ensure that the CCC's ballroom and theatre or other buildings would not be used simultaneously resulting in facility occupancy beyond a parking demand of

135 parking spaces. A traffic analysis was completed, and a parking demand study found ample parking was available with no spillover into adjacent neighborhoods. Staff found the onsite joint uses were compatible, and the on-street parking waiver could be used to alleviate practical difficulties of the site and meet the objectives in the Staff Report. Staff recommended approval of the variance.

Applicant Testimony: Sean Andries, Executive Director, Chehalem Cultural Center (CCC), provided a history the Chehalem Cultural Center (CCC) and the establishment of the Chehalem Cultural Center Association, an independent 501(c)3 organization. He also highlighted the CCC's engagement with and benefits to the community. He described why the variance was requested and assured the facility's scheduling was carefully managed, and parking capacity would be taken seriously. He detailed the CCC's parking plan, noting the language in the condition prohibiting simultaneous use of multiple buildings was rigid and limiting and that the uses were generally small. The Applicant proposed amended language to Exhibit B to ensure the CCC does not overburden available parking resources by overscheduling, which would give the Applicant more flexibility in how the CCC served the community.

William Reynolds, Traffic Engineer, RBT Consultants, summarized the parking demand study to provide context to the parking conditions in the area. A typical weekday with multiple events occurring had more than 100 parking stalls available in the area every hour studied with peak demand being 52 parked vehicles between 4 pm and 5 pm. At no point did parking exceed 32% usage of the available parking supply in the area with no spill over into residential areas. Even with the additional capacity of the building adding demand for 40 more spaces at peak, ample parking would be available, and the 40 spaces would likely be unused most of the year.

The Applicant team addressed several questions regarding the capacity of the facility, retention of the gravel lot, bike racks, and limitations as property tenants. Further details about the Parking Action Plan for large events were also provided. Staff confirmed no new or extended concept master plan was required as only internal changes were being done to the building.

PC Wright asked if the Applicants would consider adding more bike racks and proposed that the bike racks in the Water Wise Garden parking lot, if applicable, and that the City agree to dedicate a bike lane. She noted the Riverfront District Plan calls for adding a trolley along Blaine St to the riverfront, which would complement the Applicant's parking needs. Mr. Andries confirmed the CCC would be willing to enter into an intergovernmental agreement (IGA) with the City and other cooperative partners to add the trolley, noting he had several conversations with a former City Manager about the trolley.

Opponent: Robert Soppe gave testimony on how the application and requested variance opposed the Code's purpose to provide adequate off-street parking. He noted the version of the Parking Management Plan submitted in the application had not been approved by the Cultural District Board and he related key points the Applicant had erroneously relied upon. He reviewed the 4-page handout he provided to the Commission which included spreadsheets and summaries of the parking counts he conducted for the Lavender Festival and Tunes on Tuesdays, noting people used the gravel parking lot and 24 residential streets had no parking available. The Parking Management Plan was ineffective and had not been executed as planned. He suggested the Commission review the Parking Action Plan and requested the public record be left open for seven days so he could provide more details.

PC Griffiths questioned the accuracy of Mr. Soppe's parking data as it lacked a count of total attendees at events, noting the stats only have meaning if attendance at Lavender festival and Tunes on Tuesday are assumed to be the same as what would occur at the ballroom and theater. Mr. Soppe responded that the figures indicated how inadequate the Parking Management Plan has been historically, as no residential parking was available. Approval of the variance relied on the Parking Management Plan being an effective tool and it was not.

Supporters: Loni Parrish asked the Commission to approve the parking variance and noted she was a founder of the CCC. When running a nearby bed and breakfast, she had been concerned about parking issues during Tunes on Tuesdays, but it had not been an issue with the signage. While the Parking Management Plan could be improved, it does work. She was curious how many people parked in the Water Wise Garden parking lot on the day of the parking study because crossing Hancock St is scary. The CCC is an asset for economic development and stability in the community which would be enhanced with the new performing arts wing. She believed limiting activity to either the ballroom or theatre would be devastating for the CCC.

Rick Lee, CCC Board of Directors, said he was involved in developing the Parking Management Plan, which was proactive and worked well in mitigating parking issues in nearby neighborhoods. He believed parking issues were mainly caused by events not organized by the CCC. A parking study similar to Mr. Soppe's was conducted during a Tunes on Tuesdays event with about 2200 attendees and approximately 60% of the cars parked in preferred spaces on public and private lots. Signage was posted and only one warning was issued by police for parking between the signs, so the Parking Management Plan is effective. He questioned where additional parking could be built on the property. He emphasized the CCC cared deeply about being good neighbors. The new theater would bring a positive impact to the community, and he encouraged the Commission to approve the variance request.

Theresa Arnold, Cultural District Neighborhood Representative and nearby resident, stated the neighborhood supported the parking variance and had found that the Parking Management Plan has worked for mitigating parking in the neighborhood, though more signage could be posted. The neighborhood was grateful to be asked for input and that the CCC even cleaned up garbage after big events. Everyone looked forward to the expansion of the facility. She confirmed that she had talked with about a dozen neighbors over the last month, noting many of the residents did not own their homes, so reaching everyone had been difficult. She was sure to reach everyone who could have parking issues.

Bria Wolter, Saints' Hill Church, stated the church rents the CCC every Sunday with 250 to 300 people each week. Parking signage is put out each week during the gatherings. She explained the CCC graciously brought a recent complaint about parking in front of a neighbor's house to Saints' Hill's attention and provided a map showing appropriate parking areas to share with the congregation. No further parking issues had been reported. Those using the CCC facility want to respect the neighborhood and see that the CCC is well used. Everyone was excited about the proposed expansion.

Mary Martin Miller, Treasurer, CCC Board of Directors, and CCC neighbor in years past, described efforts to gather input from the neighborhood since the CCC was first conceptualized and while crazy in the beginning, there had not been many problems since the Newberg Cultural District and neighborhood group were formed and the CCC has shown it can be trusted to manage parking by scheduling events. Neighborhood residents loved all the CCC's activities and shared that the CCC has always been very

respectful, putting out signage and asking for input about improvement. While the Parking Action Plan could be improved, everything was in place for the CCC, in collaboration with the neighborhood, to find solutions for improving the Parking Action Plan. She confirmed she had heard occasional complaints from neighbors about parking, but they were addressed right away.

Rebuttal: The Applicant team clarified the variance request was not reliant on the Parking Management Plan but based on parking requirements triggered by the square footage being activated. The Parking Management Plan was referenced in the application because the 2012 approval required the plan for large events. The CCC's day-to-day operations would be handled by the existing 100+parking spaces available within the District. The gravel lot would not be removed, but retained as a multipurpose space that could be used for classes, meeting space, loading/unloading, and parking, if needed. Tunes on Tuesday is not a CCC program, but the event organizers do monitor parking. At no point throughout the Lavender Festival was parking unavailable in front of people's homes. People respected the "No Parking" signs, and no neighbors expressed any concerns about parking. The Applicant's proposed amended language would allow the CCC to treat the ballroom and the theatre as one room with a capacity for 300 people, rather than having to choose one space or the other. The spaces could be used simultaneously with a balanced occupancy load.

The Applicants addressed further questions about how "No Parking" signs were promoted to residents; the CCC's annual meeting in September, and the shuttle service included as a contingency in the Parking Management Plan, but no event had triggered using a shuttle in the last six years.

Casey Creighton, Assistant Superintendent, Chehalem Park and Recreation District (CPRD), noted CPRD owns a bus that could be used for shuttling. He was unsure if CPRD could enter into any agreements with the businesses or private lots providing the additional 276 parking spaces to include first rights to purchase property for CCC overflow parking.

Following a brief discussion about the timelines and need to extend the 120-day land use clock, Robert Soppe retracted his request to keep the public record open for 7-days.

Chair Musall closed public testimony.

Commission deliberation included discussion about showing preferred parking areas on the City's website and installing permanent signage for parking, which CPRD would likely be responsible for financially; both were encouraged. Requiring a condition of approval that first rights of sale on the properties with the parking be contracted to the CPRD was unrealistic, especially given the properties had buildings on them. The shuttle service would mitigate any related problems. The CCC has been responsible for its parking management and was willing to continue to address parking in the future.

PC Wright stated she has family members who own property near the CCC who support the variance; however, it would not affect her decision.

Chair Musall recognized the CCC has been responsible for its parking management and was willing to continue to address parking in the future. The CCC added livability to the community. He wanted to address the language requiring the CCC not to hold concurrent events.

The Commission and Staff briefly discussed the Applicant's proposed language.

Action: To adopt PC Order 2023-11 with the amended Exhibit B, replacing the

existing language with the language proposed in the email from the Chehalem Cultural Center Executive Director dated June 2, 2023, and retaining language regarding the gravel parking lot. [2:06:33-2:07:10]

Motion:

PC Griffiths

Second:

PC Newton-Curtis

Vote:

Yes: 5 No: 0 Abstain: 0 Absent: 3 [Dale; Quinn; Hansen]

Chair Musall closed the public hearing.

CUP23-0005 — Conditional Use Permit Approval to use a Single-Family Dwelling as a Vacation Rental Home at 204 W Third Street

CUP23-0005 Staff Report.pdf

Attachment 1. Application Materials.pdf

Chair Musall opened the public hearing and called for any abstentions, bias, ex parte contacts, or objections to jurisdiction. There were none.

CDD Rux read the legal announcement.

PM Downing presented the staff report on the requested conditional use permit to use an existing three-bedroom single-family dwelling as a vacation rental. He cited the applicable approval criteria, describing how the application met the criteria, and highlighted the property's zoning, location, and characteristics, as well as the surrounding features. He highlighted the operations of the vacation rental. Staff recommended adoption of the Order with conditions.

Gabriel Louthan, Applicant and long-term Newberg resident said he was enthusiastic about hosting guests in the community. He confirmed pets would not be allowed.

Opponents: Julie Codiga, long-time Newberg resident, noted the four conditional use permits requested tonight for turning entry level homes into vacation rental homes. She acknowledged an owner's rights to use private property as they wish, but continuing to approve vacation rentals was harmful to local housing availability and affordability. She asked how many vacation rental requests had been approved and denied by the Commission, noting she found more than 300 vacation rentals available in the area. Vacation rental owners were allowed to skirt landlord/tenant issues. She encouraged pausing the approval of vacation rentals until solutions to the housing issues were found. She asked how the City responded to complaints from neighbors; if vacation rental permit transfers upon change of property ownership; and what checks and balances existed for vacation rentals. Was the City doing its part to create affordable housing and rentals?

Discussion highlighted the Commission's awareness of the issues and the fact that vacation rental requests could not be denied unless the request did not meet the Code criteria. The City was also sympathetic to the issue, but applications not approved by the Commission would generally be appealed to the City Council.

CDD Rux clarified the vacation rental permit was assigned to the property not the person making the permit transferrable. He assured Staff was researching ways to address the issues, including talking with other cities and considering if a moratorium could be used until better rules were in place. Neal Winter is the City's Code Compliance Officer.

Rebuttal: Mr. Louthan noted he was also a long-term landlord in Newberg and understood the comments regarding landlord laws, which were challenging. He noted many rental homes did not have the proper rental or building permits or pay the required tax. He agreed the permit should be tied to the person, or both the person and property rather than just the property. Those who are not good hosts or do not handle the neighbors or property maintenance should not be able to move to another house; or the home should be deemed not worthy until compliance is achieved.

CDD Rux confirmed a vacation rental approval could be used for a short- or long-term rental, noting the conditional use was tied only to the property per the Code. PM Downing would bring his findings on the issue for the Planning Commission to consider and provide recommendations for City Council to review. The approval of conditional use permits for vacation rental homes was between 35 and 50, but after grandfathering rental homes from a cross analysis of conditional use permits, transit lodging tax, and business licenses, the number was likely in the low 70s. Certainly, a number of rentals could be under the radar.

Chair Musall closed public testimony.

Action:

To adopt PC ORDER 2023-14 with conditions approving CUP23-0005

including Exhibits A and B.

Motion:

PC Wright

Second:

PC Griffiths

Vote:

Yes: 5 No: 0 Abstain: 0 Absent: 3 [Dale; Quinn; Hansen]

Chair Musall closed the public hearing.

CUP23-0006 - Conditional Use Permit Approval to use a Single-Family Dwelling as a Vacation Rental

Home at 210 N School Street

CUP23-0006 PC Staff Report.pdf

Attachment 1. Application Materials.pdf

Attachment 2. Agency Comments.pdf

Attachment 3. Public Comments.pdf

Chair Musall opened the public hearing and called for any abstentions, bias, ex parte contacts, or objections to jurisdiction. PC Newton-Curtis declared she lived within 500 feet of the subject house, but it would not interfere with her ability to consider the application.

CDD Rux read the legal announcement.

PM Downing presented the staff report regarding the requested conditional use permit to use an existing 4-bedroom single-family dwelling as a vacation rental. He cited the applicable approval criteria, highlighted the property's zoning, location, and characteristics, and as well as the surrounding features. He described how the application met the criteria, while highlighting the operations of the vacation rental. The property owners intend to remain living onsite during operation of the vacation rental, known as a home share. The owners would register with the City and pay the required transient lodging tax. Staff recommended adoption of the Order with conditions.

Applicant Testimony: Mary Clark stated she has operated a coastal Airbnb for several years. She believed Newberg's high permit fee limited the number of vacation rentals in town. Her adjacent neighbors know of her Newberg Airbnb, and she planned to rent largely to vineyard workers during the harvest. She described the lessons she has learned being a vacation rental home owner and noted she would have specific criteria for her home share rental. She was interested in the long-term rental opportunity for college kids. She confirmed she had no complaints against her or her Airbnb at the coast, and she posts her name and number so neighbors could contact her directly with questions or complaints.

Chair Musall closed public testimony.

PC Newton-Curtis noted the letter received from a local resident about livability and recalled the same person had written a letter about another vacation home in the same vicinity. She believed letters received by the Commission deserved to be considered, adding if livability is in the Code and a resident's livability is being impacted, City personnel cannot state otherwise. PC Wright noted Elizabeth Gann had submitted the letter. (Attachment 3)

Comments continued about adding livability as future criteria for approval of vacation rental homes.

Action:

To adopt PC ORDER 2023-15 with conditions approving CUP23-0006,

including Exhibits A and B, and Attachments 1, 2, and 3.

Motion:

PC Wright

Second:

PC Griffiths

Vote:

Yes: 4 No: 1 (Newton-Curtis) Abstain: 0 Absent: 3 [Dale; Quinn; Hansen]

Chair Musall closed the public hearing.

The Planning Commission consented to extend beyond the 10:00 pm time limit for meetings.

CUP23-0008 - Conditional Use Permit Approval to use a Single-Family Dwelling as a Vacation Rental

Home at 3512 E Coffey Lane

CUP23-0008 PC Staff Report.pdf

Attachment 1. Application Materials.pdf

Attachment 2. Agency Comments.pdf

Chair Musall opened the public hearing and called for any abstentions, bias, ex parte contacts, or objections to jurisdiction. Chair Musall declared he lived on Coffey Lane more than 500 feet away, and it would not affect his vote.

CDD Rux read the legal announcement.

PM Downing presented the staff report regarding the requested conditional use permit to use one bedroom of a 4-bedroom single-family dwelling for a vacation rental with a maximum of two guests. He cited the applicable approval criteria, highlighted the property's location, zoning, and characteristics, and as well as the surrounding features. He described how the application met the criteria, while highlighting the operations of the vacation rental. The property owner intended to live onsite, making the rental a home share. The owner would register with the City and pay applicable transient lodging tax. Staff recommended approval of the application with conditions. Staff recommended adoption of the Order with conditions.

Applicant Testimony: Brian Voigt described the addition with one bedroom and a separate entrance which would be used as a vacation rental. The Applicants did not intend to rent any other part of the house, which was their primary residence.

Chair Musall closed public testimony.

PC Capri was concerned about the issue of livability for the neighbors if the Applicants sold the house and then the entire house being rented as opposed to the separate one-bedroom space.

PM Downing clarified the permit approval was for the rental of one-bedroom, which would not change if the conditional use permit transferred at the sale of the property.

Action:

To adopt PC ORDER 2023-16 with conditions approving CUP23-0008.

Motion:

PC Wright

Second:

PC Newton-Curtis

Vote:

Yes: 5 No: 0 Abstain: 0 Absent: 3 [Dale; Quinn; Hansen]

Chair Musall closed the public hearing.

<u>CUP23-0003 - Conditional Use Permit Approval to use a Single-Family Dwelling as a Vacation Rental</u> Home at 3704 E Coffey Lane

PC 7-13-23 Staff Report CUP23-0003.pdf

Attachment 1 - CUP23-0003 Final Complete Application Updated.pdf

Attachment 2 - Agency Comments.pdf

Chair Musall opened the public hearing and called for any abstentions, bias, ex parte contacts, or objections to jurisdiction. Chair Musall declared he lived on Coffey Lane more than 500 feet away, which would not affect his vote.

CDD Rux read the legal announcement.

CDD Rux presented the staff report regarding the requested conditional use permit to use an existing 3-bedroom, single-family dwelling as a vacation rental, noting this case, first heard and approved in May, previously had a noticing issue. The Applicant had to re-notice, and now the hearing was being redone.

He cited the applicable approval criteria, highlighted the property's zoning, location, and characteristics, and as well as the surrounding features. He described how the application met the criteria, while highlighting the operations of the vacation rental. The Applicant would register with the City and pay the applicable transient lodging tax. Staff recommended adoption of the Order with conditions.

Applicant Testimony: Sarah Smith stated she and her husband planned to rent their home when they go camping. They had talked to all of their direct neighbors, who supported what the Applicant was doing. The Applicant has run an Airbnb home before when traveling a lot. The Applicant also had four long-term rentals, three in Portland and one in Minneapolis.

The Applicant confirmed the yard was totally fenced, which would keep small children from wandering toward the water feature of the neighboring home. She also confirmed there was plenty of off-street parking to also accommodate three vehicles, given the three-bedroom home.

Opponents: Julie Codiga stated she was one of the actual property owners of the subject site and had not received notice, even though the Applicant signed an affidavit that the property owners had been noticed. She was concerned that they were not given notice and never received the second notice either. PM Downing told her that had never happened before and that the request would have to be reheard. She had wanted to express her concerns about all of the vacation rentals as well as her concern about not being noticed. The Applicants were wonderful, long-time tenants and took good care of the property. However, the City's process lacked checks and balances, except for confirming signs were posted out front when Staff had time. Vacation rental home permit applications were not audited, even randomly. She suggested applicants be required to bring the prepared notice mailing to all property owners within 500 ft into the City to be checked off to ensure everyone is noticed.

CDD Rux clarified applicants are required to prepare the mailing list and mail the notices. Typically, Staff saw a mailing list prepared by a title company and notices are mailed to the mailing, not property address of record. He explained Staff became aware the appropriate people were not noticed during the hearing. The area of people who were sent notices was skewed to the west, and Staff informed the Applicants they would need to resend notices and have the case reheard. The Applicants sent him a revised spreadsheet of recipients and hired an assistant to aid in that process. They also submitted a photo of all the envelopes laid out ready to mail, as well as an updated affidavit regarding their mailing and posting.

Rebuttal: Sarah Smith assured it was not their intention to fool anyone or not follow requirements. When they found out the first mailing was done incorrectly, they redid the mailing with thorough documentation of the process. The Applicants definitely wanted to do things correctly.

Chair Musall closed public testimony.

Action: To adopt PC ORDER 2023-13 with conditions approving CUP23-0003, including Exhibits A and B, and repealing PC Order 2023-07.

Motion:

PC Wright

Second:

PC Newton-Curtis

Vote:

Yes: 5 No: 0 Abstain: 0 Absent: 3 [Dale; Quinn; Hansen]

Chair Musall closed the public hearing.

ITEMS FROM STAFF:

1. <u>Anticipated Schedule of Planning Commission Activities</u>
Planning Commission Forward Looking Calendar.pdf

CDD Rux highlighted the upcoming schedule and new Staff positions that were recently filled.

PM Downing assured the vacation rental research would be completed as soon as possible.

There was a brief discussion on how to place a moratorium on vacation rental approvals.

Action:

To request Staff assemble information on implementing moratoriums on

short-term rentals to be reviewed at the Planning Commission's August

meeting.

Motion:

PC Griffiths

Second:

PC Newton-Curtis

Vote:

Yes: 5 No: 0 Abstain: 0 Absent: 3 [Dale; Quinn; Hansen]

ITEMS FROM COMMISSIONERS:

None

ADJOURNMENT: The meeting was adjourned at 10:41 p.m.

Attest:

Jeff Musall, Planning Commission Chair

Fé Bates, Planning Commission Secretary