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CITY COUNCIL MEETING
COUNCIL CHAMBER, CITY HALL
NOVEMBER 25, 2024
5:30 p.m.

VIA ZOOM/ IN PERSON

PRESIDING: Mayor Richard Mays

COUNCIL PRESENT: Darcy Long, Tim McGlothlin, Rod Runyon, Scott Randall, Dan Richardson

STAFF PRESENT: City Manager Matthew Klebes, City Attorney Jonathan Kara, City Clerk Amie Ell, Public Works Director Dave Anderson, Police Chief Tom Worthy, Finance Director Angie Wilson, Community Development Director Joshua Chandler, Senior Planner Sandy Freund, Engineering Division Manager Dale McCabe

CALL TO ORDER

The meeting was called to order by Mayor Mays at 5:30 p.m.

ROLL CALL OF COUNCIL

Roll Call was conducted by City Clerk Ell. Long, McGlothlin, Runyon, Randall, Richardson present.

PLEDGE OF ALLEGIANCE

Mayor Mays asked Councilor Long to lead the Pledge of Allegiance. Councilor Long invited the audience to join in the Pledge of Allegiance.

APPROVAL OF AGENDA

It was moved by Richardson and seconded by Randall to approve the agenda as submitted. The motion carried 5 to 0, Richardson, Randall, Long, McGlothlin, Runyon voting in favor; none opposed; none absent.

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PRESENTATIONS PROCLAMATIONS

Chuck Gomez – Tourism for The Dalles

Gomez introduced an initiative focused on enhancing tourism in the community, highlighting its potential to rival the economic impact of Google. He shared that over 18 months, he prepared a short video that could be divided into 30 television commercials. Outreach efforts included a potential display at Portland International Airport, which sees 20 million visitors annually, promotion through Granada Theater, and mentions on a nationally syndicated radio station reaching 750 stations and an estimated billion listeners over five months. Gomez emphasized the seriousness of tourism development and presented the video to the group.

Long asked if his business was a for profit or nonprofit business asking for \$125,000.00 of taxpayer dollars.

Gomez said the business was for profit and the money would return tenfold to the City through tourism.

Long said Council did not give dollars to private for profit businesses.

Gomez said tax dollars went to the Chamber of Commerce and if that tax money was increased they could possibly hire someone to bring in more tourism.

Long said he could apply for the contract that would be coming up the next year.

AUDIENCE PARTICIPATION

Lisa Farquharson representing The Dalles Chamber of Commerce at 404 West Second, expressed gratitude for the collaborative efforts to decorate downtown. She acknowledged Wasco Electric PUD, The Dalles Main Street, the Chamber, and numerous volunteers for their contributions, including lighting the community tree and downtown poles. She noted minor fixes will occur this week as needed. She reminded of the Starlight Parade on Friday at 6 p.m., following the usual route and ending at the Chamber for the community tree lighting with hot cocoa, cookies, the Mayor, and Santa.

CITY MANAGER REPORT

City Manager Matthew Klebes;

- Thanked volunteers and organizations for holiday decorations. He highlighted Terry Harkrader's coordination between the Parks District and the City for garland and lighting updates.

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- Announced a new holiday star at the Vista reservoir. Thanked Jerry Anderson and the Public Works team for working with PUD on the installation.
- Distributed the Mid-Columbia Community Action Council annual report for the Council's awareness.
- Shared his appointment to the Oregon City County Managers Association board. Expressed enthusiasm for supporting managers and the profession statewide.
- Announced the Finance Department's Certificate of Achievement for Excellence in Financial Reporting from OGFOA for FY2023. Commended department head Angie Wilson and her team for their hard work.

CITY COUNCIL REPORTS

Councilor Runyon reported;

- Attended the City-County joint work session.
- Participated in the Veterans Day Parade, leading the Patriot Guard Riders as the advanced guard.
- Attended the Q-Life meeting.
- Attended the first three hours of the six-hour City Council goal setting retreat.

Councilor Richardson reported;

- Attended the goal-setting session with senior staff, which provided valuable perspective on achievements and future goals.
- Federal Street Plaza Committee meeting was canceled, but a new meeting is scheduled for the 4th.
- Attended a briefing session on ongoing and upcoming issues.
- Met with the Community Development Director to discuss long-term planning projects.
- Noted that the street lights look great.

Councilor Randall reported;

- Attended the City-County work session.
- Q-Life meeting. Met briefly with newly appointed Executive Director, Dr. Liz Lantz, after the meeting.
- Attended the goal-setting session.
- Had a briefing with the Mayor, City Manager, and Councilor Long on the phone.

Councilor Long reported;

- Attended the Joint work session.
- Participated in the Veterans Day Parade.
- Took part in the annual goal-setting session.

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- Attended a briefing session.
- No Urban Renewal meeting this month, but one is scheduled for December.

Councilor McGlothlin reported;

- Attended the goal-setting all-day meeting.
- Served as Mayor for the day at the Veterans Parade.
- Attended a briefing with the City Manager and Mayor.
- Participated in the Fire Department transfer of helmets ceremony.
- Appeared on KODL Coffee Break.
- Attended the City-County SIP meeting.

Mayor Mays reported;

- He would forgo his report and double up the next month.

CONSENT AGENDA

It was moved by Long and seconded by Randall to approve the Consent Agenda as presented. The motion carried 5 to 0, Long, Randall, McGlothlin, Richardson, Runyon voting in favor; none opposed; none absent.

Items approved on the consent agenda were: 1) Approval of the October 28, 2024 Regular City Council Meeting Minutes' 2) Approval of the October 23, 2024 City Council Work Session Minutes; 3) Approval of the November 4, 2024 City Council Joint Work Session Minutes; 4) Adoption of Resolution No. 24-029 authorizing application for a Drinking Water Source Protection grant to fund the purchase of lands within and adjacent to The Dalles Municipal Watershed and complying with grant obligations.

CONTRACT REVIEW BOARD ACTIONS

Award of East 12th Street Storm and Sidewalk Improvements Construction Contract

Dale McCabe Engineering Division Manager reviewed the staff report.

Richardson asked McCabe to describe the outreach that had been done for the neighborhood and if all of the construction would be within the City right of way.

McCabe said that before the East 12th Street project began, a complete mailing was sent to all residences along both the north and south sides of the project area, informing them about the upcoming surveying and utility locating activities. The mailing included a description of the project and contact information for questions. In late May, an open house meeting was held, where residents were invited to view rendering drawings of the project and ask questions.

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Approximately six to eight residents attended the meeting. He also noted receiving numerous phone calls and inquiries from residents throughout the process.

McCabe clarified that for a few driveways, the project extended beyond the right-of-way line to adjust the driveway grades and ensure proper connection with the new road surface. However, aside from these adjustments, all the work related to the walls, sidewalks, road improvements, and storm drainage was within the city right-of-way.

Runyon sought clarification regarding the funding for the project, asking if the money in the two accounts mentioned in the staff report was the same as the ARPA funds, or if those were separate funds.

McCabe said the \$1,612,482.00 was ARPA funds.

Mayor Mays asked when construction was expected to begin.

McCabe said it would depend on the weather. He said there was another project that would also soon be coming to Council for approval with the same contractor submitting the lowest bid. Discussions would occur with the contractor to determine which would happen first. He said the contract required the company to complete the work within 120 days after work began.

It was moved by Randall and seconded by Long to authorize the City Manager to enter into contract with Crestline Construction for the East 12th Street Storm and Sidewalk Improvements, Contract No. 2024-008, in an amount not to exceed \$1,933,455.00. The motion carried 5 to 0, Randall, Long, McGlothlin, Richardson, Runyon voting in favor; none opposed; none absent.

ACTION ITEMS

Adoption of General Ordinance No. 24-1408, a general ordinance amending certain provisions of The Dalles Municipal Code Chapter 8.04 (Transient Room Tax)

Jonathan Kara City Attorney and Matthew Klebes City Manager reviewed the staff report.

Richardson asked for clarification regarding the ordinance changing the amount of money allocated to tourism promotion, specifically questioning if the adjustment was due to a state law provision that requires maintaining a minimum spending level, in this case, 55%. He confirmed that the increase was not a dramatic change but rather a recognition of the current spending practices.

Kara clarified that the State's requirement for the City to allocate 55% of its funds to tourism

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promotion was due to the City's historical practice. While the current ordinance sets a mandatory minimum of 21%, State law mandates a 55% minimum, and the change in the ordinance would simply codify the City's compliance with state law, ensuring clarity for future City leadership.

Mayor Mays acknowledged the importance of the issue and noted that this was the third or fourth public meeting held regarding the transient lodging tax. He invited any members of the audience who wished to address the City Council on the matter to do so for up to three minutes.

Kevin Driscoll, resident of The Dalles said that the administration of the Transient Lodging Tax (TLT) was currently cumbersome. He recommended exploring automatic remittance mechanisms for the tax through platforms like Airbnb and VRBO, as he believed the administrative burden may exceed the revenue generated by the tax.

Scott Baker Executive Director for North Wasco County Parks and Recreation District acknowledged that the proposed funding agreements were not part of the action item for the evening but expressed his concern as the staff worked with Wasco County and the District. He encouraged the Council to consider that the current draft still required the Park District to request annual operating funds, which left a gap of over \$160,000 for the pool and other operations. He pointed out that, as proposed, the funding agreement required the District to request funds by January 31, but the budget process was largely completed by that date, making it difficult to plan without a reliable, multi-year funding agreement. He emphasized the importance of such an agreement to allow for proper planning, rather than making last-minute adjustments to the budget.

Mayor Mays clarified that the agreements would be brought before the City Council for approval as well.

It was moved by Long and seconded by McGlothlin to adopt General Ordinance No. 24-1408, as presented, by title only. The motion carried 5 to 0, Long, McGlothlin, Randall, Richardson, Runyon voting in favor; none opposed; none absent.

FEMA Pre-Implementation Compliance Measures (PICM) Recommendations

Joshua Chandler Community Development Director the City's new Senior Planner Sandy Freund and reviewed the staff report.

Runyon expressed frustration with FEMA, noting the agency's slow response that required a lawsuit to move forward. He criticized the short notice and the threat of non-compliance, describing the situation as unreasonable. Runyon expressed concern about the City's planning department, particularly with a new member on board, and highlighted the difficulties faced by

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small communities with limited resources. He expressed sympathy for the planning department, given the additional workload from this issue.

Chandler acknowledged the frustration with FEMA, noting that the agency provided information late in July, followed by workshops that often included incorrect details. He mentioned that at one workshop in August, FEMA had stated that the City needed to implement certain requirements by December 1, which later turned out to be inaccurate. Chandler highlighted that the project was continuously evolving, with FEMA advising attendees to attend both the first and last workshops due to frequent changes in presentation material. He emphasized that many communities across the state were facing similar challenges, and the City was doing its best to stay ahead of the curve.

Randall asked about the next steps, specifically inquiring if the City was currently using the permit-by-permit approach for mitigation for those existing in the floodplain, or if that was a new requirement.

Chandler explained that the City requires review within the floodplain and has flood control measures in place to determine if a property is located within the floodplain. All new development must elevate buildings one foot above the base flood elevation. The City also requires specific procedures for properties with foundations located below the floodplain line, such as anchoring and venting procedures. However, the additional precaution for endangered species, as required by FEMA, is not something currently included in the City's process.

Richardson asked for clarification to ensure that one of the consequences of not complying with the requirements would be the potential loss of flood insurance for people living in or owning property within the floodplain and that if the City were to have a federally declared disaster, it would not be eligible for assistance. He also asked if the recommendation for the model ordinance was due to it providing consistent, clear guidance, or if there was another reason.

Chandler confirmed that failing to comply could result in the loss of flood insurance and ineligibility for federal disaster assistance. He added that FEMA is providing a technical assistance platform to help communities with the process. He confirmed the recommendation to use the model ordinance was due to it being the most up-to-date standard for flood control provisions. He explained that the City had planned to update the ordinance when the floodplain map was updated, but with the map's delay, using the model ordinance now provided more flexibility and was the best path forward.

Richardson confirmed that this was essentially a three-year decision, reflecting the gap between FEMA's current position and the final requirements they would set.

Mayor Mays asked which counties were exempt as the staff report mentioned it applied to just 31

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of the 36 Oregon counties.

Kara said it was generally places that were not subject to flooding.

It was moved by McGlothlin and seconded by Richardson to direct staff to notify FEMA Region 10 of the City's intent to begin the implementation process of the Model Ordinance Option no later than December 1, 2024. The motion carried 5 to 0, McGlothlin, Richardson, Long, Randall, Runyon voting in favor; none opposed; none absent.

General Ordinance No. 24-1407 an Ordinance Amending The Dalles Municipal Code Chapter 8.02 (Short-Term Rental Licenses)

Joshua Chandler Community Development Director reviewed the staff report.

Mayor Mays invited member of the public to speak on the subject.

Steve Day, resident of Pendleton, Oregon clarified that he was not a wealthy attorney or part of a large corporation buying properties in the West Scenic area, but rather an individual from Pendleton, with family ties to The Dalles. He had been purchasing properties in the area for about 10 years, primarily focusing on long-term rentals, with over 20 properties. He emphasized his efforts to use local contractors and contribute positively to the community. He then addressed some articles and City Council discussions, offering clarification on certain points;

- Clarified that reports of a rock concert, golf carts, boats, and other activities occurred during the remodel phase of 300 West Scenic, prior to it being used as an Airbnb.
- Explained that a golf cart in the yard was used by his children during the remodel phase, and the dirt in the yard was related to construction work.
- Mentioned the planting of an arborvitae hedge as a mistake by his contractor, who tried to match the neighbor's shrubs, leading to a misunderstanding.
- Noted that his contractor parked a boat in the driveway during the remodel, but the property now has parking space for 10–12 cars, addressing parking concerns.
- Stated he owns four Airbnbs, not six, with most of his 20+ properties being long-term rentals.
- Explained that some properties are used as corporate rentals for hospital employees, doctors, nurses, engineers, energy workers, or individuals transitioning between homes.
- Highlighted that he purchased 322 West Scenic at auction after it sat vacant for 5–6 years and turned it into an Airbnb, though he is considering selling it.
- Shared that two adjacent properties near 300 West Scenic were purchased with plans for possible use by his mother in the future.
- Stated that significant investments in these properties would result in considerable financial harm if phased out or amortized.

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- Emphasized that the incidents discussed in the media occurred before the properties became Airbnbs and that no issues have occurred since then, as confirmed by local authorities.
- Described gatherings, such as a 75th birthday party, a one-year birthday party, and a graduation party, as small, family-oriented events with no inappropriate behavior.
- Noted that Airbnb guests typically visit for local events like the mural and animation festivals, contributing to local commerce and businesses.
- Expressed plans to make The Dalles his permanent home after his youngest child graduates high school.
- Voiced support for Option B, opposing phase-out amortization due to its financial impact.

Kevin Driscoll, a resident of The Dalles, shared that his family had moved to the City 1.5 years earlier, invested in two properties for both short- and long-term rentals, and believed in contributing to the community. He argued that current STR regulations were effective, with no significant evidence of issues warranting change, and noted that he had never received complaints about his properties. Driscoll criticized the proposed legislation, particularly the 500-foot boundary, as arbitrary and likely to harm many STR owners, describing it as over-regulation. He urged the City Council to reconsider the changes and encouraged neighbors to resolve grievances privately.

Richardson asked if his rentals were within 300 or 500 feet of one another.

Kevin Driscoll expressed concerns about the proposed 500-foot radius rule for short-term rentals, stating that his properties would be affected. He doubted whether the proposed limit of 70 STRs, representing 1% of the City's housing stock, could be evenly distributed within The Dalles' residential zones, even under ideal conditions. He urged the City Council to slow down the decision-making process, ensure any alleged violations were documented with direct evidence, and adhere to the City code, which excludes hearsay as evidence.

Long asked if they would be affected by the changes based on the fact that if they switch from being short term to long term rentals throughout the year.

Kevin Driscoll confirmed that his properties were primarily used as long-term rentals but were also rented short-term about 35% of the time. He explained that his private home was occasionally rented while his family traveled, helping offset travel expenses. He noted that some rentals exceeding 30 days were booked through Airbnb and would likely continue under that platform, even with new restrictions. However, he emphasized that the proposed legislation

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would still significantly impact his operations, as it was not in his interest to rent the properties 100% of the time.

Daniel Hynes, a short-term rental owner on Esther Way, shared his perspective on the proposed regulations. He explained that he and his in-laws purchased the home in The Dalles as a place to enjoy the sunny climate, given their past experiences living in shadier regions. Hynes detailed his personal connection to the community, including frequenting local businesses, working with contractors, and supporting the local economy by allowing visitors to stay in his property. He argued that short-term rentals fill a positive role by providing active use of homes that might otherwise sit empty.

Hynes expressed concerns about the proposed 500-foot radius for short-term rental licensing, describing it as excessive compared to similar policies in other areas. He also opposed the mandatory posting requirement, citing safety concerns about publicly indicating when the property is vacant. He felt the timeline for these changes was rushed and suggested that the focus should instead be on addressing specific bad actors.

Lisa Cicala, a short-term rental owner and resident of The Dalles, shared her perspective on the value of short-term rentals (STRs) to the local community. She recounted her own positive experience with STRs as a visitor before relocating to The Dalles and emphasized the economic benefits STRs brought through tourism, local spending, and job support for workers such as cleaners, landscapers, and maintenance staff. Cicala noted that the vast majority of her guests were respectful, quiet, and contributed to the local economy, including dining out at local restaurants. She expressed concerns about certain proposed regulations, such as the proximity requirements, which she argued could have significantly impacted many existing STRs. She suggested that the City already had existing codes to address issues like noise and parking, and that enforcing those would have been more effective than imposing strict proximity limits or mandatory posting. She also voiced discomfort with mandatory posting, citing safety concerns, and suggested revising parking requirements to be more practical. Cicala raised concerns about the potential for significant losses if existing regulations changed, particularly with the introduction of lotteries and proximity clusters. She recommended enforcing current regulations and gathering more community input before implementing further restrictions. Lastly, she expressed her preference for Option B but noted that she felt the proposed regulations were overly restrictive.

Victor Johnson, resident of The Dalles and short-term rental owner asked for clarification of the proposed fee changes for licensing.

Chandler explained that the City would not charge based on the cost of notifying each area for the individual short-term rental. Instead, they would calculate an average cost and apply it uniformly. This way, everyone would contribute the same amount, regardless of whether a

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property owner had five neighboring properties to notify or fifty. The increase in cost depended on if the notification area was to be 100, 300, or 500 feet.

Johnson stated that it was he had who proposed the 100-foot limit in the downtown area and mentioned that he still favored the idea of preserving historic downtown neighborhoods. He had envisioned it in terms of blocks with houses in a row, rather than as a 100-foot radius. He suggested that if the measure were adopted, it might need further consideration over time but emphasized his support for maintaining the integrity of the neighborhoods.

Kevin Ryan introduced himself and his wife, Julie, as the first Airbnb operators in The Dalles, starting 13 years ago. He expressed agreement with many points made earlier but cautioned against over-regulating the short-term rental (STR) market. Kevin emphasized that he and Julie had always carefully vetted guests to avoid any neighborhood disturbances, maintaining a neighborly parking agreement and regular communication with neighbors. He explained that their short-term rental business served as a supplemental income for their family, particularly given their limited ability to save for retirement in the past. Kevin urged caution in creating new ordinances, as they had not encountered significant problems, and he supported Option B over Option A or a lottery system. He also voiced concern over corporate ownership of STRs but emphasized the need for regulations tailored to small towns rather than large cities.

Yvonne Pepin-Wakefield, resident of The Dalles, asked two questions. First, she inquired about how the City differentiates between residential and non-residential properties. Second, she asked for clarification on how the 100-foot and 300-foot proximity requirements were determined and how they would be applied.

Chandler explained that properties were classified as residential or non-residential based on zoning. Residential zones included low, medium, and high-density areas, while other zones were considered non-residential.

The 100-foot radius had been originally recommended for commercial properties in the downtown area and was expanded to include other commercial zones. The 500-foot requirement applied to residential zones, with the different radius options provided to show their impact on short-term rentals.

Randy Hamilton expressed concern about short-term rental regulations, as he lived in the middle of a cluster of such rentals. He explained that his retirement plan might involve converting his home which had been built by his grandfather in 1955 into a short-term rental and felt it would be unfair if that wasn't allowed in his neighborhood. Randy highlighted the positive impact short-term rentals had on his area, noting that homes previously in disrepair had been purchased to be used as short-term rentals, cleaned up, and maintained. He said neighborhood had improved

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significantly over the last 10 years, and his interactions with short-term rental guests had been positive.

Paul Peters shared his concerns about the increasing number of short-term rentals near his property. He currently shares a property line with two such rentals, and with the potential addition of another, he would be surrounded on all sides except one. Paul, who moved to The Dalles in 1957 and lives in the house built by his grandfather in 1948, expressed frustration with the idea of newcomers potentially being grandfathered into the regulations, which he felt unfairly impacted long-time residents. He emphasized that his home, his retirement property, was meant to offer peace and quiet, but the constant noise from neighboring short-term rentals disrupted that serenity. He noted that the occupancy limits at a nearby short-term rental had been an issue, as the property was granted an additional bedroom, increasing its capacity from eight to ten people. While he acknowledged improvements, he stressed that the noise and disturbances were still significant, and he felt that his concerns had been dismissed in the past.

Dunbar, a Wasco County resident and owner of a large property management company, shared his support for short-term rentals, stating that none of his long-term tenants had concerns about them. He clarified that the property at 300 Scenic was properly purchased as a five-bedroom home. While not involved in short-term rentals, Dunbar emphasized their positive impact on the community and local businesses. He expressed concerns about the proposed requirement to post personal information and highlighted his proactive management of properties to ensure safety. Dunbar urged the City Council to carefully consider both options for regulating short-term rentals, considering the potential consequences and benefits.

Mayor Mays acknowledged the ongoing discussions, noting that this was the fourth or fifth meeting on the topic. He emphasized that both options, particularly Option B, had been thoroughly reviewed by the City Council.

Mayor Mays raised a concern about the staff recommendation regarding mandatory posting of the city-approved license near the front door of short-term rentals. He questioned the effectiveness of this approach, asking how posting the license near the door would be more effective than maintaining an online database, and whether people would actually be able to read it from the street.

Chandler explained that the staff recommends posting the city-approved license near the front door of short-term rentals (STRs) to provide immediate access to contact information for the operator or the city's Code Enforcement Office. He emphasized that this approach is more effective than maintaining an online database, as it allows neighbors to directly access the contact details without needing to search online.

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McGlothlin shared his involvement in addressing concerns related to short-term rentals (STRs) in his neighborhood. He explained that he had worked to resolve issues by communicating with both residents and STR operators, and that efforts such as a moratorium, a cap on the number of STRs, and noise and parking regulations had helped reduce tensions. He mentioned that most complaints had been addressed, with improved civility between parties, though enforcement of civility remained outside the city's capabilities. McGlothlin also referenced his research on a specific property and found that most of the 165 comments were positive, with the few negative comments addressed by the property owner. He expressed his desire for clear guidelines and ordinances to resolve any future disputes.

Additionally, he disclosed his own involvement with a rental property and asked the City Attorney whether he should recuse himself from the decision-making process due to potential conflicts of interest.

Kara said he was not the Councilor's lawyer and then mentioned that the City Council had recently adopted rules that address government ethics.

Richardson asked McGlothlin if he had any financial stake in the outcome of the decision. McGlothlin stated that while he might have faced potential rate increases, he did not have a strong personal stake in the decision.

Kara explained that the ethics rules in Oregon are straightforward. He clarified that if a public official has an actual conflict of interest, they must recuse themselves from the decision-making process, disclose the conflict at the start of the conversation, and avoid participation. In cases of a potential conflict of interest, the official may still participate but must disclose the conflict at the beginning of the conversation. The distinction between an actual and potential conflict lies in whether the official would directly benefit financially (actual conflict) versus having a possibility of financial benefit (potential conflict).

Kara clarified that there is no significant difference between recusal and abstention in practice. He noted that, under the ethics law, any public official with a conflict of interest must disclose the nature of the conflict. If it is an actual conflict, the official must abstain from the vote and recuse themselves from the meeting.

McGlothlin asked if, under Oregon ethics rules, the conflict is financial in nature, clarifying that it is not about knowing someone or having a conversation.

Kara clarified that friendships or affiliations do not constitute conflicts of interest. The conflict arises only when there is a financial benefit or detriment, either for the public official, their family members, or anyone living in the same household.

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Runyon expressed that after reviewing past letters, minutes, and discussions, he had reconsidered the proposed regulations on Airbnbs. He noted that the City already has rules in place for parking, noise, and other issues, and questioned whether new rules were necessary. He suggested that a 500-foot radius for limiting Airbnbs was excessive and favored a smaller distance, perhaps between 100 and 300 feet, based on average lot sizes. He emphasized that Airbnb operators generally care about maintaining their properties and attracting good clients, and he did not see them as bringing negative elements into neighborhoods. He stated he would vote against the 500-foot radius and the amortization proposal but was open to reviewing policies over time.

Randall acknowledged that the main concern surrounding short-term rentals was proximity. He agreed that a 500-foot radius might be excessive and was more open to a 300-foot radius. He emphasized that while some speakers had downplayed the concerns of residents living near STRs, the residents had been motivated enough to speak before the Council on multiple occasions. He recognized neighbors might become hyper-vigilant and more sensitive to activities around STRs but argued that their concerns should not be dismissed. Citing his own experience living near a short-term rental, he acknowledged the different rhythm of activity associated with such operations and expressed understanding for neighbors who valued their tranquility. He said a 500-foot radius should be reconsidered and suggested reducing it to 300 feet.

Richardson expressed frustration with the challenge of differentiating between owner-occupied and non-owner-occupied properties, citing potential legal issues with the Commerce Clause. He supported a 300-foot buffer to reduce neighborhood conflicts, but was increasingly opposed to mandatory postings, suggesting that public information could be made available through online sources instead. He also voiced discomfort with the lottery system, finding it legally questionable and improper. While he opposed phasing out existing businesses, he emphasized the importance of enforcing noise regulations with clear consequences, such as license revocation. He proposed passing the ordinance with a 300-foot buffer, eliminating the mandatory posting, and discussing a fee structure based on site rather than bedroom count.

Chandler explained that in 2020, the Council had adopted a fee structure based on the number of bedrooms, considering the varying sizes of short-term rentals, from small studios to larger homes. While the structure was currently tied to room count, he noted that it could have been modified to a site-based approach with or without scaling, depending on the Council. He clarified that the fee was capped at four bedrooms, meaning that even if a property had seven bedrooms, the fee would be charged as if it were a four-bedroom property's preference. The existing per-room approach aligned with the original directive from 2020.

Chandler explained that posting occupancy information is not uncommon, citing Hood River as an example, where similar postings are visible at properties. He noted that the City already requires maximum occupancy to be posted at the front door of short-term rentals in a conspicuous location.

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Klebes added that if someone wanted contact information for a nearby short-term rental, they could directly reach out to the Community Development Department.

Richardson expressed strong opposition to requiring owner-occupied short-term rentals to post information.

Runyon questioned the practice of charging per bedroom for short-term rentals, as he had not fully realized it was being implemented. He sought clarification from Chandler on whether this method was already in place and whether it needed adjustment. Additionally, he noted that, according to the police department, there had been no significant complaints or legal issues with local Airbnb properties, making him hesitant to implement further regulation unless necessary, while acknowledging that regulations could always be revisited.

Chandler confirmed that the charge per room had already been in place but noted that the fees would change to account for the increased area of required notification.

Kara clarified that the City's annual fee schedule, which the City Attorney's office was preparing for the following year, included the price for a five-bedroom short-term rental license. The City Council had reviewed this schedule annually since January 2021.

Mayor Mays asked if anyone on the City Council would like to make a motion or preferred Ordinance A, but no one raised their hand. The discussion then moved to Option B, with a suggestion to revise the 500-foot buffer down to 300 feet.

Kara clarified that the City's charter required ordinances to typically be approved in a single meeting, with certain requirements, such as posting at least a week prior. If the ordinance was not adopted unanimously at the first meeting, it could be adopted at the second meeting. The substantive modifications, as described by Councilor Richardson, were noted and could be written up exactly as described. To proceed, there needed to be an actual vote on the motion. If the motion was passed, the ordinance would return to the next meeting for final adoption according to Council rules.

It was moved by Richardson and seconded by Randall to adopt General Ordinance 24-140, Option B, which included grandfathering as presented, with the following amendments: striking the mandatory posting requirement and reducing the buffer from 500 feet to 300 feet, by title only.

Councilor Runyon agreed with the motion but suggested that a review of the ordinance be considered in six months to a year.

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Mayor Mays suggested making it part of the minutes and public record that the City Council's consensus is for staff to bring an evaluation of the ordinance back for review 12 months after adoption, which would not occur that night. There was agreement from the Council.

Chandler recommended a modification to the mandatory posting requirement. He suggested that the posting not be visible from the outside, but instead remain on the interior of the short-term rental. He proposed keeping the section about the posting, but adjusting it so that it requires the City license to be prominently displayed near the front door, with all necessary information included. This would address the concerns raised, ensuring the information is available for guests without being posted outside.

Councilor Long asked what the enforcement options were for revocation and whether there was a process outlined in the ordinance.

Kara explained that the process for revoking a short-term rental license was outlined in the ordinance. A license could be revoked by the Planning Director if evidence showed the property violated any provisions of the code. The decision could be appealed to the City Council within 10 days of the notice being issued, leading to a quasi-judicial public hearing where the Council would make the final decision. If a property operates without a license, it is subject to a Municipal Court violation with a fine of \$250 per day. This process would be handled through code enforcement, with the Planning Director's revocation decision not requiring judicial review.

Kara clarified that he understood Council's intent with the motion and second, as well as the Planning Director's input, and recommended minor edits to the wording, which Council would have the opportunity to review at a later meeting.

McGlothlin stated that he had reviewed state ethics laws and confirmed he had not violated any provisions regarding financial gain or conflicts of interest. He emphasized that he had not acted to benefit special interest groups at the City's expense and explained his actions were intended to avoid potential ethical issues, as he had witnessed violations in the past. He affirmed his ability to vote truthfully and without bias.

Mayor Mays asked if there was anyone who requested to have the ordinance read in its entirety. Hearing none he asked the City Clerk to read the ordinance by title.

City Clerk Amie Ell read Ordinance 24-1407B by title.

The motion carried 5 to 0, Richardson, Randall, McGlothlin, Long, Runyon voting in favor; none opposed; none absent.

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Kara addressed the earlier question regarding the extending the STR moratorium, suggesting that it would be a good time to discuss whether the Council would like to extend it. He said the moratorium established a prohibition for the Planning Department to issue new short-term rental licenses for non-owner-occupied properties in residential zones for a 12-month period, which was set to expire the following day. He noted that if the Council wished to extend it, they could do so by motion.

Runyon recommended extending the moratorium until the ordinance was passed to ensure new short-term rental licenses complied with updated regulations. He suggested preparing a resolution for the extension.

Kara suggested making the extension of the moratorium contingent upon the Council's adoption or the effective date of the general ordinance.

It was moved by Richardson and seconded by McGlothlin to extend the moratorium until the adoption of the ordinance previously discussed. The motion carried 5 to 0, Richardson, McGlothlin, Long, Randall, Runyon voting in favor; none opposed; none absent.

Mayor Mays recessed the meeting for 10 minutes.

Second Amended and Restated Intergovernmental Agreement for the Q-Life Intergovernmental Agency

City Manager Matthew Klebes reviewed the staff report.

Runyon commended the City Manager for his work with Q Life, acknowledging his expertise in areas that are difficult for others to understand, particularly the financial aspects and technical jargon related to internet services. He expressed appreciation for the City Manager's contributions to the community and the collaboration with the county, while also recognizing the need for the city to have its own executive director and expressing confidence in the choice made.

Long reflected on her first four years on the City Council, during which she served on the Q Life board. She noted that much of her tenure involved determining the next steps for the organization and expressed support for the chosen direction, emphasizing its benefit to the entire County.

Mayor Mays asked the new Executive Director be introduced at a Council Meeting in the future.

Klebes shared he was grateful for the opportunity to work with the organization. He acknowledged the hard work of the Q Life board, volunteers, staff, and contractors, and gave

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special recognition to the four attorneys involved in the IGA process.

It was moved by Randall and seconded by Runyon to authorize the City Manager to execute the Second Amended and Restated Intergovernmental Agreement for the Qualitylife Intergovernmental Agency. The motion carried 5 to 0, Randall, Runyon, McGlothlin, Long, Richardson voting in favor; none opposed; none absent.

EXECUTIVE SESSION

In accordance with ORS 192.660(2)(h) to consult with counsel concerning the legal rights and duties of a public body with regard to current litigation or litigation likely to be filed.

Mayor Mays recessed Open Session at 8:55pm.

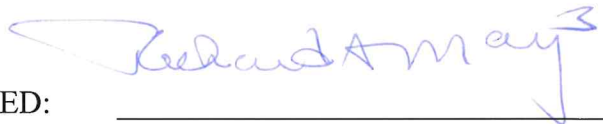
Mayor Mays reconvene Open Session at 9:44pm.

ADJOURNMENT

Being no further business, the meeting adjourned at 9:45pm

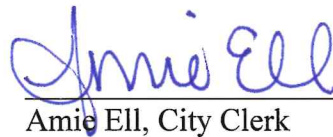
Submitted by/
Amie Ell, City Clerk

SIGNED:



Richard A. Mays, Mayor

ATTEST:



Amie Ell, City Clerk