

CITY OF WHITE SALMON Planning Commission Meeting - Wednesday, September 22, 2021

### COMMISSION AND ADMINISTRATIVE PERSONNEL PRESENT

#### **Commission Members:**

Staff:

Brendan Conboy, City Land-Use Planner Erika Castro Guzman, City Associate Planner

Greg Hohensee, Chairman Ross Henry Seth Gilchrist Tom Stevenson

Excused:

Michael Morneault

# CALL TO ORDER/ ROLL CALL

Chairman Greg Hohensee called the meeting to order at 5:32 p.m. Two audience members attended by teleconference. A quorum of planning commissioner members was present.

### **APPROVAL OF MINUTES**

1. Approval of Meeting Minutes – August 25, 2021

Moved by Tom Stevenson. Seconded by Seth Gilchrist. Motion to approve minutes of August 25, 2021, as amended. CARRIED 4–0. Hohensee – Aye, Henry – Aye, Gilchrist – Aye, Stevenson – Aye.

#### **DISCUSSION ITEMS**

# 2. Workshop

# a. Short-term Rentals

Land-use Planner, Brendan Conboy, presented to the Planning Commission to discuss staff's proposed alternatives and regulatory tools for short-term rentals (STRs) to guide staff to their desired outcome.

The Planning Commission discussed if short-term rentals should be a conditional use or an outright use by zone/overlay. Land-use Planner Conboy commented this determines the level of review the City does for an STR. Commissioner Gilchrist stated that STRs may be outright use around the commercial zone/overlay and be had with a conditional use permit for the remaining city limits. Commissioner Henry said that STRs should be outright use with clear guidelines, while Commissioner Stevenson opposed by stating that STRs should be a conditional use permit in all zones/overlays. Chairman Hohensee stated that a well-defined administrative procedure may allow STRs as an outright use and supports Commission Gilchrist's comment if there were to be an overlay a Conditional Use Permit (CUP) could work. Commissioners discussed defining an overlay to further define how STRs would be best regulated within zoning districts or an overlay. Commissioner Stevenson believes that STRs are a commercial use/activity; therefore, he favors an overlay that radiates out from the commercial area and a reasonable walking area. Land-use Planner Conboy identified a reasonable walking area to be a 15-minute walk from downtown. Commissioner

Gilchrist stated that he thinks that an overlay would give the most flexibility in regulating STRs. Chairman Hohensee said that he believes an overlay causes economic disparity and favors regulating STRs by zoning districts. Commissioner Henry shared Figure 1 to identify an overlay of where he thinks STRs are walkable to downtown that could be an outright use, and STRs outside this area would



require a conditional use permit. With the review of Figure 1, Chairman Hohensee stated that if this were to be the proposed overlay, we might as well treat all STRs via conditional use permit; he believes everything is walkable. Commissioner Gilchrist stated that he would not like to see green space/parks within the boundary to prevent confusion moving forwards. Commissioner Stevenson thinks STR should only be in the commercial zone but with an administrative review at all levels. Commissioner Henry favors restrictive overlays that radiate around the commercial area.

Three Commissioners support the overlay with a basic permitting process inside a defined overlay and a conditional use permit process outside said defined overlay. Commissioner Hohensee strongly disagrees with regulating STRs with an overlay until further discussion of the STR criteria. He further stated that if the commercial area would be made an STR outright, further discussion of a limiting percentage and location of the STR is required.

The Planning Commission, in general, has a desire for a straightforward STR commercial zoning; there is concern about more stringent criteria in the walkable area (the walkable neighborhood is up for discussion). Therefore the Commission generally agrees that a tiered overlay may meet everyone's desires for the new STR policy.

Commissioners discussed if Accessory Dwelling Units (ADUs) should be used for shortterm rentals. Land-use Planner Conboy stated that historically, ADUs were used for an extended family but are now used as an infill tool and have had positive effects on neighborhoods, though that could be compromised by allowing them to be STR. Commissioner Henry stated he was unsure; he thinks ADUs are similar to hotels and, at the same time, can supply rentals to local employees. Commissioner Gilchrist stated he was also unsure; he thinks some ADUs should be considered for STRs as smaller ADUs may not be suitable as a long-term rental. He favors ADUs becoming STRs with a conditional use process. Commissioner Stevenson stated he would like to see a ban for short-term rentals in ADUs. Chairman Hohensee said he would like to limit the total number of STRs allowed, not restrict the type of structure.

Commissioners discussed if there should be a limit to the total number of nights for short-term rentals. Commissioner Gilchrist stated that the limitation should apply outside the commercial zone overlay, Commissioner Henry agreed. Commissioner Stevenson stated that he thinks the total night limit should be 60; Chairman Hohensee stated that making the number of nights too small may restrict a certain type of growth. Therefore, he believes the total number of nights should not be less than 90. Commissioner Gilchrist shares that it is typical for a family to STR their home while on vacation, and he sees value in limiting the number of nights to less than 90 days depending on how owneroccupied is defined (parameters yet to be discussed); Commissioner Stevenson agrees. In general, the Planning Commission would like to limit the total number of nights in the residential area.

Commissioners discussed their views on what the city would be interested in protecting before defining 'owner-occupancy.' Commissioner Stevenson stated that he sought to avoid taking away from long-term rental stock and avoid STRs from becoming a business. Commissioner Gilchrist said he feared the community losing the small-town feel and evidence of such; Commissioner Henry agreed by adding he is concerned about people using Washington State as a tax shelter. Chairman Hohensee stated he seeks to keep a stable economy and protect the community by preserving our strong neighborhood feel.

Commissioners discussed how to define 'owner-occupancy.' Commissioner Stevenson stated that he would like the definition to include anyone renting a portion of their home/ADU on the premises, or proof of residency in White Salmon, and must have a contact person available 24/7. Commissioner Henry stated he would like to see an element limiting one STR and avoid Washington State be used as a tax shelter. Land-use Conboy suggested adding additional STR application requirements, such as a previous year's income tax return and two forms of identification (ID). Commissioners loosely agreed that the City's goal would be met by requesting STR applicants for a previous year's tax return, two forms of ID, and to be entered into a lottery system if they met the owner-occupancy requirements once a quota is met. Further discussion is needed to define owner occupancy; it was agreed that the lottery terms be long enough so that if an applicant doesn't get selected the first time, they have no more of a chance than others of getting chosen at a later time of application. The administrative procedure to be further discussed at the City Council level.

Commissioners discussed if there should be a limit to the total number of short-term rentals per owner/entity. Land-use Planner Conboy stated that he recommended that there not be a limit in the commercial zone and that the residential be limited to one STR. Commissioner Henry and Gilchrist agreed. Commissioner Stevenson recommended a limit of four STRs in the City per owner not to encourage a hotel-like system. Chairman Hohensee recommended limiting one STR in the residential area, recommended a (1/3) fraction of each structure in the commercial area, and no STRs in the multifamily zone district. Commissioner Henry added that STR in the commercial area should not be located on the street level.

Commissioners concluded that more information was needed to determine if there should be a total number of ADUs in the community. Land-use Planner Conboy stated that White Salmon, WA is currently estimated to have 7-14% of its housing stock be used as STR. In comparison, Hood River, OR is 5%, and a typical non-resort town is 1%. Commissioners requests a break down by housing type and size within White Salmon City Limits, a percentage of how many are STRs, a percentage of homes that are 'dark,' and the correlation to housing affordability/crisis to analyze at what percentage of STRs in a community then turns harmful.

#### **ADJOURNMENT**

The meeting was adjourned at 8:05 p.m.

Greg Hohensee, Chairman

Erika Castro Guzman, Associate Planner