

White Salmon Planning Commission Meeting A G E N D A August 25, 2021 – 5:30 PM Via Zoom Teleconference Meeting ID: 867 2793 1701 Passcode: 793590 Call in Numbers: 669-900-6833 929-205-6099 301-715-8592 346-248-7799 253-215-8782 312-626-6799 We ask that the audience call in instead of videoing in or turn off your camera, so video does not show during the meeting to prevent disruption. Thank you.

Call to Order/Roll Call

Approval of Minutes

- 1. Approval of Meeting Minutes March 24, 2021
- 2. Approval of Meeting Minutes March 31, 2021
- 3. Approval of Meeting Minutes April 28, 2021
- 4. Approval of Meeting Minutes May 12, 2021
- 5. Approval of Meeting Minutes June 23, 2021

Discussion Items

- 6. Workshop Short-term Rentals
- 7. Long-range Planning Priorities for Staff (dependent upon time)

<u>Adjournment</u>

File Attachments for Item:

1. Approval of Meeting Minutes - March 24, 2021



CITY OF WHITE SALMON Planning Commission Meeting - Wednesday, March 24, 2021

COMMISSION AND ADMINISTRATIVE PERSONNEL PRESENT

Commission Members:

Staff:

Greg Hohensee, Chairman Seth Gilchrist (Zoomed out between 6:51 -7:15 p.m.) Tom Stevenson Ross Henry Michael Morneault (Zoomed in at 5:40 p.m.)

Erika Castro Guzman, City Associate Planner Jan Brending, City Clerk-Treasurer

CALL TO ORDER/ ROLL CALL

Chairman Greg Hohensee called the meeting to order at 5:35 p.m. Five audience members attended by teleconference. A quorum of planning commissioner members was present.

APPROVAL OF MINUTES

1. Approval of Meeting Minutes of March 10, 2021 Discussion: Item tabled.

PUBLIC COMMENT

No comments on the Draft Elements for the Comprehensive Plan were received.

ACTION ITEMS

2. Comprehensive Plan Update Workshop

a. Public Facilities and Services Element

Commissioners reviewed each public facilities and services element comment and responded to its applicability to the comprehensive plan, policy, or table for a code interpretation conversation. Further discussion included wordsmithing and staff clarification.

b. Capital Improvement Program Element

Commissioners reviewed each capital improvement program element comment and responded to its applicability to the comprehensive plan, policy, or table for a code interpretation conversation. Further discussion included wordsmithing and staff clarification.

c. History and Historic Places Element

Commissioners reviewed each history and historic places element comment and responded to its applicability to the comprehensive plan, policy, or table for a code interpretation conversation. Further discussion included wordsmithing and staff clarification. Commissioners agreed to review the goals and policies in-depth and discuss which will be kept in the upcoming workshop.

A portion of the History and Historic Places Element and the Transportation Element comments will be review in the next workshop meeting.

Staff will do the initial editing on tonight's consensus before the consultants provide language and clarification on several items discussed by the commissioners.

ADJOURNMENT

The meeting was adjourned at 8:32 p.m.

Greg Hohensee, Chairman

Erika Castro Guzman, Associate Planner

File Attachments for Item:

2. Approval of Meeting Minutes - March 31, 2021



CITY OF WHITE SALMON Planning Commission Special Meeting Wednesday, March 31, 2021

Staff:

COMMISSION AND ADMINISTRATIVE PERSONNEL PRESENT

Commission Members:

Greg Hohensee, Chairman Tom Stevenson Ross Henry Michael Morneault

Erika Castro Guzman, City Associate Planner Jan Brending, City Clerk-Treasurer

Excused:

Seth Gilchrist

CALL TO ORDER/ ROLL CALL

Chairman Greg Hohensee called the meeting to order at 5:30 p.m. Two audience members attended by teleconference. A quorum of planning commissioner members was present.

ACTION ITEMS

1. Comprehensive Plan Update Workshop

a. History and Historic Preservation Element

Commissioners discussed the goals and policies and debated which should be kept. Commissioner Henry stated that a lot needs to be scrapped, and Commissioner Stevenson agreed.

- H&HP1: Goal to stay as written. Keep the first policy and delete the rest. Word change: maintain. Add a policy to create a table to identify locations of historical or cultural significance.
- H&HP2: Goal to stay as written. Delete all policies.
- H&HP3: Goal to stay as written. Make 3.2 policy into 3.1 and delete the rest.
- H&HPP4 should be H&HP 4: Delete the policies as they are too specific. Word change: instead of incorporate, say "consider." Commissioner Stevenson likes the 4.3, seeking grants, but deleting the particular programs. Make 4.3 policy into 4.1.
- H&HP 5: Goal 5 Update: Maintain and preserve public locations of historical and cultural significance that are listed on local and state historic registers. Add Goal 6: Encourage private owners with locations of historical and cultural significance in their maintenance and preservation efforts. Delete policies. Commissioner Stevenson thinks that it should be up to the property owner to add their property to the historical registration, but that the city could encourage a historic district. Chairman Hohensee believes landowners need to be the driving force on private properties.

Commissioners reviewed each history and historic preservation element comment and responded to its applicability to the comprehensive plan, policy, or table for a code interpretation conversation. Further discussion included wordsmithing and clarification.

b. Transportation Element

Commissioners reviewed each transportation element comment and responded to its applicability to the comprehensive plan, policy, or table for a code interpretation conversation. Further discussion included wordsmithing and staff clarification.

c. Final Review of Elements

Commissioners reviewed each comment from the previous round of public comment and responded to its applicability to the comprehensive plan, policy, or table for a code interpretation conversation. Further discussion included wordsmithing and staff clarification.

Staff will do the initial editing on tonight's consensus before the consultants provide language and clarification on several items discussed by the commissioners.

ADJOURNMENT

The meeting was adjourned at 9:02 p.m.

Greg Hohensee, Chairman

Erika Castro Guzman, Associate Planner

File Attachments for Item:

3. Approval of Meeting Minutes - April 28, 2021



CITY OF WHITE SALMON Planning Commission Meeting - Wednesday, April 28, 2021

COMMISSION AND ADMINISTRATIVE PERSONNEL PRESENT

Commission Members:

Staff:

Greg Hohensee, Chairman Ross Henry Michael Morneault Seth Gilchrist (Zoomed in at 5:35 p.m.) Tom Stevenson (Zoomed in at 5:57 p.m.)

Erika Castro Guzman, City Associate Planner Jan Brending, City Clerk-Treasurer

CALL TO ORDER/ ROLL CALL

Chairman Greg Hohensee called the meeting to order at 5:34 p.m. Nineteen audience members attended by teleconference. A quorum of planning commissioner members was present.

CHANGE TO AGENDA

Chairman Hohensee changed the agenda to split public comment to address each action item directly, with no objection from the commissioners.

ACTION ITEMS

1. PROPOSED AMENDMENTS TO WSMC 17.08 – DEFINITIONS

a. Presentation

Jan Brending, Clerk-Treasurer, stating that when the city adopted the new WSMC 17.36—MHRP Mobile/Manufactured Home Residential Park District code last summer, it was determined that WSMC 17.08—Definitions needed to be amended to include new definitions related to WSMC 17.36. In addition, staff determined that some of the definitions required clarification, and therefore, several other new definitions are being recommended.

b. Public Hearing

Chairman Hohensee opened the public hearing at 5:40 p.m.

Tao Berman, Inside City Limit Resident, and Business Owner

Tao Berman stated that he is concerned about Hotel and Motel's definitions because he thinks they are written too narrow. He believes this item should be tabled until in-person public meetings are able to take place to allow more public input. He requests the Planning Commission to consider a gestation period for developers in the active design stage developing property based on the current code.

Chairman Hohensee closed the public hearing at 5:45 p.m.

c. Discussion

Referring to Proposed WSMC 17.08.380, Commissioners updated the readability and interpretation to closer match the WAC definition of Manufactured Home to state:

"Manufactured home" means a single-family dwelling built in accordance with Department of Housing and Urban Development Manufactured Home Construction and Safety Standards Act, which is a national preemptive building code; and complying with the standards as designated on the data plate (HUD and L&I certification requirements) and with all the provisions in effect at the time of its construction. A manufactured home also

- Includes plumbing, heating, and electrical systems and may include air conditioning;
- Has exterior siding similar in appearance to that used in recently constructed singlefamily dwelling;
- Has a roof constructed of composition, wood shake or shingle coated metal or similar material;
- Is built on a permanent chassis; and
- Can be transported in one or more section.

Commissioners observed the following minor changes included:

- Proposed WSMC 17.08.140: Word change, "Scoter," not "shooter."
- Proposed WSMC 17.28.420: Motel to say a "single or multiple buildings..."
- Proposed WSMC 17.08.140: Commissioners suggested to add a comment that the long-term use is not necessarily of a scoter, stroller, bike, or car. Staff clarifies that the intent is that the purveyor/provider provides business for long-term rental. Commissioners consented to go broad and not list allowable used and update the definition to only state, "commercial recreation means the provision of recreational related product or service by private enterprise for a fee."
- Proposed WSMC 17.08.570: Commissions updated the definition of the tiny home to match the WAC by adding, "...**excluding sleeping lofts**," to the last sentence.
- Proposed WSMC 17.08.280 B: Commissioners corrected the "Note" in the diagram that should read as follows: Note: To determine the average final grade, take the sum of each elevation midpoint, as illustrated in Diagram A and divide by four: the will average final grade elevation. The computation works as follows: {Final Elevation at the Midpoint of (A+B+C+D)+/4 = Average Finale Grade Elevation.
- Proposed WSMC 17.08.490: Commissioners specified "public rooftop terries..."

Referring to Proposed WSMC 17.08.300, Commissioners agreed to the following hotel definition to state: "Hotel" means a singular building commercial property on one or more adjacent parcels designated designed and intended to provide overnight lodging to transient guests for a fee. A hotel shall generally consists of a lobby, rented units that are entered from the inside of the building, has a minimum of 10 rental units, customer service desk with on-call service for registered guest including walk-ins on-site staff, and a transient lodging license as issued and administered by the Washington Department of Health. A short-term rental is not a hotel.

Referring to Proposed WSMC 17.08.420, Commissioners agreed to the following motel definition to state: "Motel" means singular or multiple building(s) commercial property

with a single or multiple buildings on a singular one or more adjacent parcels designed and intended to provide overnight lodging to transient guests for a fee. A motel shall consist of a check-in office on-call staff located on the same premises with 24-hour service for walk-in guests. Rented units are entered from the outside of the building; the facility has a minimum of 5 rental unites and a transient lodging license as issued and administered by the Washington State Department of Health. A short-term rental is not a motel.

Referring to Proposed WSMC 17.08.060, Commissioners lastest version of the definition that was being discussed states: "Apartment house" means a building or portion thereof used or intended to be used as a home-residential unit for long-term rent or lease with three or more families or householders living independently of each other.

Chairman Hohensee tabled the remainder of the Proposed Amendments to WSMC 17.08 – Definitions discussion and its action to the following meeting.

ACTION ITEMS

2. COMPREHENSIVE PLAN UPDATE

a. **PUBLIC COMMENT**

Chairman Hohensee opened public comment at 8:04.

Gail and Doren Welch, Opposed, Inside City Resident

Doren Welch stated that he lives on NE Academy Street during the summer and intends to retire in his quiet neighborhood in White Salmon eventually. Welch said he is opposed to R-2 designation along NE Gaddis PI because of the traffic that may triple in the future with its zoning development. He questions the need for medium density as the existing medium density is currently not being developed as such per conversation with staff earlier. Welch further questions the extent of the 64 acres proposed to change designation versus the 13 acres recommended by the urbanization study.

Shelly Baxter, Opposed, Inside City Resident

Shelly Baxter thanked commissioners for serving. Baxter expressed her opposition to the land use designation proposal along NW/NE Spring Street and N Main Ave. She stated that Klickitat County's median income is 54,000 and would only afford a \$220,000 home loan based on an FHA loan. Further explains that even at an attainable rate, the home loan would have to \$290,000 while the median price of a home sold in White Salmon in 2020 was \$456,000 and doesn't expect prices to fall through rezoning because the city does not have tools for subsidizing housing costs. Baxter referenced the City Urbanization Study that calls for an additional 13 acres zoned medium density but questions the approximate 64 acres. Request the planning commission does not make these zoning changes.

Kevin Herman, Opposed, Inside City Resident

Keven Herman stated he is opposed to the medium-density land use designation for the city's most recent annexation. He says he is surprised that the city would after their property was 'forced' to be annexed and zoned R-1 Single-family zoning, is now being proposed to be medium density. Request the planning commission consider the existing residences.

Written comments received:

- 1. **Leslie Naramore**, Proponent, Executive Director from Washington Gorge Action Programs
- 2. Nancy White, Proponent, Inside City Property Owner/Local Business Owner
- 3. Stephanie Huntington, Neutral, Local Real-estate Agent
- 4. Kalama Router, Proponent, Inside City Resident
- 5. Mike Rockwell, Proponent, Local Real-estate Agent
- 6. **Dr Alex Pinchot**, Proponent, Inside City Resident
- 7. Michael and Anne Maguire, Proponent, Inside City Property Owner
- 8. Ericka Miller and David Monnig, Proponent, Inside City Property Owner
- 9. Kirsten Dennis, Opposed, Inside City Resident
- 10. Bruce Bulme Proponent, Inside City Resident
- 11. Randy and Gayle Barns, Opposed, Inside City Resident
- 12. Sasha Bentley, Proponent, Inside City Resident
- 13. Barbara Bailey, Proponent, Inside City Resident
- 14. **Susan Benedict**, Opposed, Inside City Resident
- 15. Susan Svensson, Opposed, Inside City Resident
- 16. Ray Klebba, Opposed, Inside City Resident
- 17. Donna Rockwell, Neutral, Inside City Resident
- 18. Jay Carroll, Neutral, Inside City Resident
- 19. Ruth Olin, Neutral, Inside City Resident
- 20. Ann Medenbach, Proponent, President at Big River Community Land Trust
- 21. Sandy and Roy Slayton, Opposed, Inside City Resident
- 22. **Dorothy Herman**, Opposed, Inside City Resident
- 23. Anna Siebenborn, Neutral, White Salmon Resident
- 24. **Casey Byers**, Opposed, Inside City Resident
- 25. Amy and Herve Leclerc, Opposed, Inside City Resident
- 26. Archer Mayo, Proponent, Inside City Business Owner
- 27. Chris Heald, Proponent, Outside City Resident
- 28. Dan and Carol Shaw, Opposed, Inside City Resident
- 29. Marcie Heald, Proponent, Outside City Resident
- 30. **Kallie Kurtz**, Proponent, Note: this comment was not read into the record, received late.
- 31. Shelley Baxter, Opposed, Inside City Resident, Note: Copy of spoken testimony.

Mayor Marla Keethler presented what she and the City administration has reviewed the land use designation map and would like to present some proposed changes in keeping with the following draft Compact and Efficient Land Use Goal and associated policies.

Mayor Keelther stated that the new proposed new Land Use Designation Map would introduce more generalized designations for land use, thereby creating adaptability within designated areas. It will permit more flexibility for adaptive use that responds to recognized trends. She also stated that the proposed would acknowledge observed trends to reflect the built use of land more reasonably. It is seen in the recommendation of transitioning a section of lots currently identified as Commercial at the intersection of NE Tohomish/Center to medium density. All lots identified have ultimately been developed into residences. It is also seen in the recommendation of the western portion of the city remaining low density. Mayor Keethler said that expanding the areas available for medium density development to spur the creation of additional housing stock and reduce rezone requirements on the front-end of new project consideration. She acknolages that while the Urbanization Study projects a need for 12.9 acres of additional medium-density zoned land, the recommendations shown on the attached exhibits provide for an increase of approximately 64 acres. However, she further noted that some of the lands within medium density areas would continue to be developed into single-family residences, and in recognition that the aim of the map is to not micromanage each property owner's use, but to allow flexibility while also accounting for estimated needs. Expanded mediumdensity designations reflect the consideration of long-term availability of water/sewer, access, and proximity to services, schools, and commercial uses.

Mayor Keethler said that when applied with intention, the functional adaptability of zoning and land use regulations can offer tremendous opportunities for improving how the city handles land use, especially as public and private values and needs shift. She stated that implementing a broader land-use map with an increase in the availability of medium-density areas reflects the known public and private needs in our community at this time.

Chairman Hohensee closed public comment at 9:01

b. Land Use Designation Map Changes

Chairman Hohensee tabled the land use designation map changes discussion to the following meeting.

c. Introduction Chapter

Chairman Hohensee tabled the introduction chapter discussion to the following meeting.

ADJOURNMENT

The meeting was adjourned at 9:07 p.m.

Greg Hohensee, Chairman

Erika Castro Guzman, Associate Planner

File Attachments for Item:

4. Approval of Meeting Minutes - May 12, 2021



CITY OF WHITE SALMON Planning Commission Meeting - Wednesday, May 12, 2021

COMMISSION AND ADMINISTRATIVE PERSONNEL PRESENT

Commission Members:

Staff:

Greg Hohensee, Chairman Ross Henry Michael Morneault Seth Gilchrist Tom Stevenson

Erika Castro Guzman, City Associate Planner Jan Brending, City Clerk-Treasurer

CALL TO ORDER/ ROLL CALL

Chairman Greg Hohensee called the meeting to order at 5:31 p.m. Five audience members attended by teleconference. A quorum of planning commissioner members was present.

ACTION ITEMS

1. PROPOSED AMENDMENTS TO WSMC 17.08 – DEFINITIONS

a. Discussion (continued from April 28, 2021 meeting)

The Planning Commission began reviewing the proposed amendments to WSMC 17.08 – Definitions at their April 28, 2021 planning commission meeting. The discussion was continued to this (May 12, 2021) meeting.

Changes to the following proposed definitions were consented to by the planning commission:

17.08.060 – Apartment house.

"Apartment house" means a building or portion thereof used or intended to be used as a home residential unit for long-term rent or lease of 30 days or more with three or more families or householders living independently of each other. Apartment houses in residential zones are not short term rentals and apartments with 3 or more units in commercial zones are not short term rentals.

17.08.580 - Tourist facilities.

"Tourist facilities" means, as used in the chapter, amenities for tourists or visitors. such as lecture rooms, restaurants, picnic areas, playgrounds, gift shops, restrooms, trade craft workshop, clubs, and other recreational facilities as determined by the City Council. Overnight facilities only are allowed when the tourist facility is associated with the a hotel or motel. Tourist facilities does not include lodging.

17.08.380 – Manufactured home.

"Manufactured home means a single family dwelling built in accordance with department of housing and urban development manufactured home construction and safety standards act, which is a national, preemptive building code; and complying with the standards as designated on the data plate (HUD and L&I certification requirements) and with all the provisions of the Manufactured Housing Construction and Safety Standards in effect at the time of its construction and constitutes not less than 720 square feet of interior habitable area. Is built on one or more metal frames with wheels for delivery to its placement site. Has exterior siding similar in appearance to side materials commonly used on conventional site-built uniform building code single-family residences built according to the International Building code; and has a composition, wood shake or shingle, coated metal, or similar roof of not less than 3:2 pitch.

"Manufactured home" means a single-family dwelling built in accordance with Department of Housing and Urban Development Manufactured Home Construction and Safety Standards Act, which is a national preemptive building code; and complying with the standards as designated on the data plate (HUD and L&I certification requirements) and with all the provisions in effect at the time of its construction. A manufactured home also

- <u>Includes plumbing, heating, and electrical systems and may include air</u> <u>conditioning;</u>
- <u>Has exterior siding similar in appearance to that used in recently</u> constructed single-family dwelling;
- <u>Has a roof constructed of composition, wood shake or shingle coated</u> metal or similar material;
- <u>Is built on a permanent chassis; and</u>
- <u>Can be transported in one or more sections.</u>

17.08.530 – Short-term rental.

"Short-term rental" means a residential lodging use, that is not a hotel or motel or bed and breakfast in which a dwelling unit, or portion thereof, that is offered or provided to a guest<u>(s)</u> by the residence owner or operator for a fee for fewer than thirty consecutive nights.

b. Action

Moved by Tom Stevenson. Seconded by Seth Gilchrist. Move to forward the proposed amendments of WSMC 17.08 – Definitions, with changes as noted, to the city council for approval. CARRIED 5-0.

ACTION ITEMS

2. COMPREHENSIVE PLAN UPDATE – LAND USE DESIGNATION MAP CHANGES

a. Presentation

Mayor Marla Keethler presented what she and the City administration has reviewed the land use designation map and would like to present some proposed changes in keeping with the following draft Compact and Efficient Land Use Goal and associated policies.

The changes in summary are:

- 1. Moving areas of currently zoned Single-Family (R1) and identified as Low-Density on the land use designation map to Medium-Density:
 - A. White Salmon Co-Housing Area with additional R1 area to the north included. (see Exhibit A)
 - B. This area includes the following as shown on Exhibit
 - 2019 Annexation Area
 - The area west of Hunsaker Oil and Innovative Composite Engineering

- Unannexed area (island) south of Hunsaker Oil and north of NE Spring Street, and east of N Main Avenue.
- The area north of 2019 annexation area (includes properties within the city limits and properties in the urban exempt area.
- 2. Moving six lots currently identified as Commercial to High Density/Mixed Use (HDR/MU). Five of the lots currently contain single-family dwellings and are not likely to be used for commercial purposes. This change would allow the residential uses to continue and to not be classified as non-conforming uses. Three of the lots are east of NE Snohomish Avenue and north of NE Tohomish Street and two lots are west of NE Snohomish Avenue and north of Comprehensive Health. (See Exhibit C) The 6th lot, vacant, is located east of the hospital property and is owned by the same individual who owns the lot immediately to the north. The commercial zoning in this area encompasses only (except for this single-parcel) hospital property. At one time, this property was owned by the hospital and was missed in the 2012 comprehensive plan update that it had been separated from the hospital and sold. The administration believes this designation was an error. (See Exhibit D)
- 3. The current language describing the Riverfront designation reads,

"This land is intended to allow master-planned developments that can include recreational, commercial, light industrial and limited residential uses. This land is largely constrained by natural features and is subject to the City's critical areas ordinance. Because of its close proximity to SR 14, secondary access roads—rather than direct access to the highway—are encouraged and in some cases required."

Staff has identified this designation for further discussion. The major of the "Riverfrontage District" has been built out. No secondary roads were required or built, and "master-planned developments" have not occurred. The existing uses are retail, medical offices, light industrial, and government-owned facility held for tribal usage. There are currently four vacant lots left in this designation. A single property owner owns two lots (located east of the Hood River Bridge). An additional lot is owned by a property owner that has a light industrial development on the adjacent lot. Staff believes that either the description of the Riverfront designation should be changed, or these properties should be identified as commercial. The commercial designation allows all current uses to continue. New light industrial uses would require a conditional use permit (under the city's existing zoning requirements).

b. Discussion

Commissioner agreed to delete *Table X: Comprehensive plan designation and zoning district*. Its sentence is referencing the table to give flexibility to the city zoning map in a responsible matter.

Staff clarified that development and infrastructure will be evaluated as new development is proposed. Typically, developers pay for the improvements for infrastructure and streets, but the city takes on some of the cost of the upgrades if it's to serve a larger area beyond the project area.

Mayor Keethler and Staff clarified that when applied with intention, the functional adaptability of zoning and land use regulations can offer tremendous opportunities for improving how the city handles land use, especially as public and private values and needs shift. She stated that implementing a broader land-use map with an increase in the availability of medium-density areas reflects the known public and private needs in our community at this time.

Commissioners consented to increase Exhibit A, as proposed, from low density to medium density.

Commissions have the following concerns if the zoning were to be changed:

- Increasing zoning may come with increasing density.
- The planning commission recommends that the cohousing group proposed their project through the conditional use permit application, even after a zone change.
- The community may misinterpret this as a rezone, not a change in land use designation.
- The market may dictate the demolition of single-family homes for increasing density.

Staff stated that Exhibit B is mainly undeveloped and would like to plan broadly. In line with the urbanization recommendation, the opportunity exists for more density beyond single-family homes. Still, staff acknowledges this area, upon development, weather designated as the proposed medium density, it will likely remain single-family homes. Staff clarified that the land use designation map includes out to the white salmon urban except area in anticipation of annexation. This map gives guidance to implement zoning upon application(s) of intent to annex. The county will not make these changes as directives. Staff clarified that the designation must follow boundary lines. Further discussions entailed that the critical areas will always be protected regardless of the land use designation/zone changes. Commissioner Gilchrest stated that he does not support bringing medium density near Barnet Rd for the critical area(s) near Jewett Creek. Commissioner Henry, Stevenson, and Hohensee supported medium-density as presented as protecting critical areas fall under their own and separate buffer requirements. Commissioner Stevenson added that he sees Exhibit B as an area with the potential to expand its land use designation and zoning to commercial and high density.

Commissioners consented to increase Exhibit B, as presented, from low density to medium density.

Commission Hohensee noted that commissioners may attempt to preserve the existing single-family zone when rezoning applications come forward in Exhibit B as stated at their annexation in 2019 application determination.

Staff stated that the property owners have been contacted and are happy with the proposal in Exhibit C. Commissioners consented to decrease Exhibit C, as presented, from commercial to high density.

Staff stated that the property in Exhibit D was likely zoned in error. Commissioners consented to decrease Exhibit D, as presented, from commercial to high density.

Staff stated that the majority of the "Riverfrontage District" had been built out and that no secondary roads were required or built, and "master-planned developments" have not occurred. The existing uses are retail, medical offices, light industrial and government-owned facilities held for tribal usage, and currently, four vacant lots left in this designation. Further discussion entailed protection to critical areas, regardless of land use designation or zoning. Further detail will come in the zoning language to ensure the city's vision.

Commissioners consented to change Riverfrontage Planned District in its entirety, as presented, from riverfrontage planned district to commercial.

Chairman Hohensee presented that the gun club/spokes bike park is within the low density and seeked to change its land-use designation as appropriate (commercial). Staff clarified that parks do not have their own designation. Staff advised against the commercial land use designation change as it may be viewed as a targeted recognition of its use, and it would have been crucial to have had allowed public comment. Commissioner Hohensee retreats his proposed land use designation item.

c. Action

Moved by Seth Gilchrist Seconded by Ross Henry. Move to remove Table X: Comprehensive Plan Designation and Zoning District and its associated language from the comprehensive plan. CARRIED 5-0.

Moved by Tom Stevenson Seconded by Michael Morneault. Move to include identified land use designation map changes as proposed changes as stated in memo for action item 2 in agenda for April 28, 2021: 1, 2, 3 and 4. CARRIED 5-0.

3. COMPREHENSIVE PLAN UPDATE - INTRODUCTION CHAPTER

a. Presentation

Clerk-Treasurer Jan Brending presented the draft introduction chapter and its primary sections.

b. Discussion

Commissioners consented to delete the second paragraph of parks and recreation that related to COVID-19 pandemic:

The city has developed each element's goals and polices with input from the public via public comment at planning commission meetings. Because the majority of the plan update took place during the COVID19 pandemic, the planning commission did not meet in public but met via teleconferences. Public comment was submitted via email and read into the record at each planning commission meeting. Two public hearings were held (one before the planning commission and one before the city council) where individuals were allowed to testify in person via the teleconference. The planning commission received numerous comments and spent hours reviewing the comments and incorporating the recommendations, where appropriate, into the goals and policies. Commissioners and Staff clarified that sidewalks throughout the city are not feasible, which is why walking paths are included.

Staff will do the initial editing on tonight's consensus before the consultants provide language and clarification on several items discussed by the commissioners.

ADJOURNMENT

The meeting was adjourned at 8:40 p.m.

Greg Hohensee, Chairman

Erika Castro Guzman, Associate Planner

File Attachments for Item:

5. Approval of Meeting Minutes - June 23, 2021



COMMISSION AND ADMINISTRATIVE PERSONNEL PRESENT

Commission Members:

Greg Hohensee, Chairman Ross Henry Michael Morneault Seth Gilchrist Tom Stevenson Staff:

Erika Castro Guzman, City Associate Planner Jan Brending, City Clerk-Treasurer

Planning Consultants: Ethan Spoo, WSP Senior Planner Scott Keillor, WSP Senior Planner

City Council:

Mayor Marla Keethler Jason Hartmann Joe Turkiewicz Jim Ransier

City Council Members Excused:

David Lindley Ashley Post

CALL TO ORDER/ ROLL CALL

Chairman Greg Hohensee called the meeting to order at 5:37 p.m. Ten audience members attended by teleconference. A quorum of planning commissioner and city council members was present.

PRESENTATION

1. Joint City Council/Planning Commission Workshop - Draft Comprehensive Plan

2.

a. Presentation of Draft Comprehensive Plan by WSP

Scott Keillor, Ethan Spoo, and Jan Brending presented the Draft Comprehensive Plan prepared by WSP and Staff.

Staff stated that the next step after the adoption of the Comprehensive Plan is to review primarily White Salmon's zoning chapter.

b. Discussion and Questions for Consultants

Staff reminded the planning commission that this discussion is not the time for specific comments on the draft plan; specific comments shall be handled after the public hearing.

Councilman Hartman stated that he thought the comprehensive plan was well done and was a nice upgrade from the previous document.

Councilman Turkiewicz had no questions.

Commissioner Morneault had no questions.

Commissioner Gilchrist had no questions, thanked WSP for staying course during the comprehensive plan.

Commissioner Henry appreciated the consultant's work and looked forward to hearing the public comment.

Commissioner Stevenson suggested organizing and change the order of the element placement for the comprehensive plan; WSP Senior Planner Keillor added that this draft would not be difficult to reorder the elements.

Chairman Hohensee requested WSP review the land-use designation map and its purpose. WSP Senior Planner Keillor stated that there are three noteworthy changes. (1) all of the names of the designation have changed. The prior designation had been grouped into new designation, for example, RL, R1 grouped into low-density residential. This new land designation allows property owners within the corresponding zone to propose zone change without undergoing a comprehensive plan map change. (2) Resign the known Riverfront district to Commercial to best fit what is constructed. (3) North of Spring Street is designated medium density when previously was R1 designation.

Chairman Hohensee clarified that a single-family home community to look like existing within the area of Spring Street. Staff explained that the land-use map provides flexibility as the City moves into the next phase towards updating the City's zoning codes. The zoning map remains the same unless the city council changes accept a re-zone application after the comprehensive plan is adopted. Staff notes that the comprehensive plat map may only be updated once a calendar year and clarified that just because a property is proposed for medium density use, the actual zoning map has not changed. In the future, upon review of Chapter 17 – Zoning, this land-use map flexibility allows the potential for different types of R1. Commissioner Hohensee states that the land use map provides a greater level of flexibility to keep the small-town feel.

Mayor Keethler emphasized staff's clarification that the land use designation map allows flexibility and that the two maps are not tied together.

The city council was excused at 6:24 PM.

PUBLIC HEARING 6:25

1. Public Hearing - Draft Comprehensive Plan (Planning Commission Only)

Chairman Hohensee opened the public hearing at 5:25 p.m.

Tao Berman, Inside City Limit Resident and Business Owner

Tao Berman stated that he is concerned about Hotel and Motel's definitions because he thinks they are written too narrow. He believes this item should be tabled until in-person public meetings can allow for more public input. He requests the Planning Commission to consider a gestation period for developers in the active design stage developing property based on the current code.

Joel Maden, Inside City Limit Resident

Joel Madsen, Executive Director with Mid-Columbia Housing Authority and Columbia Cascade Housing Corporation, stated that he works to promote affordable housing through rent assistance and develop affordable housing for rent and ownership. Madsen supports the goals of quality housing to be diverse. The following was Madsen's written comment:

Housing Element

H-1.1 Our recommendation is to be more clear on nexus to and definition of affordability targets as it relates to considering incentives and bonuses. More specifically, we recommend a firm policy statement that connect incentives and bonuses for high-density residential development are connected to the City's true affordable housing definition and goal, not just blanket to all 'high-density housing.

H-1.2 This policy essentially defines workforce housing to be a product that serves people earning between 80% -120% of medial household income. We encourage the City to acknowledge there are lower wage-earning working households that could otherwise be excluded by this definition.

Goal H-2 Design and Neighborhood Goals.

Design standards are notorious NIMBY platforms. We encourage the City to consider excluding some of this requirement for projects that meet affordability goals; particularly H-2.1 and H-2.2. If this is not practical, we encourage the policy states that development code standards will be clear, objective and will balance the need for additional housing units that will enhance the quality of life for city residents.

Policy H-3.2 We look forward to expanding our partnership with the City of White Salmon in addressing needed housing opportunities.

Land Use and Urbanization Element

Policy LU -3.1 Similar to our comment on Goal H-2 in the Housing Element, we recommend exempting affordable housing developments from Policy LU-3.1 or create a succinct, clear and objective path for certain affordable housing developments.

Written comments received:

- 1. Ericka Miller and David Monning, NE Snohomish Avenue, White Salmon
- 2. **Bruce Bolme,** NE Scenic Street, White Salmon
- 3. **Kallie Kurtz,** NE Forester Lane, White Salmon
- 4. **Shelley Baxter**, NW Cherry Hill Rd, White Salmon
- 5. **Dorothy Herman,** NW Cherry Hill Rd, White Salmon
- 6. **Ruth Olin,** SE Wyers Street, White Salmon

Chairman Hohensee closed the public hearing at 6:45 p.m.

ACTION ITEMS

- 2. Draft Comprehensive Plan (Planning Commission Only)
- 3.
- a. Discussion

Commissioner Morneault thinks that written comments from Kallie Kurtz were extensive and would suggest some of her remarks be incorporated, specifically bring balance to White Salmon's Native American history. Staff clarified that time does not allow rewriting the historical background information element. Chairman Hohensee explained that commissioners might update specific areas if seen fit.

Commissioner Gilchrist is happy with the comprehensive plan outcome. He thinks it's a missed opportunity that Kurtz's comments arrived this late in the process but would like to make simple changes to acknowledge her remarks.

Commissioner Henry emphasized that the history element did not need much revision from the previous comp plan. He thinks that focusing on the history element would take time away from the planning commissioner's goal and suggests that this document be seen as a living document. Commissioner Henry supports Commissioner Stevenson's idea to re-organize the comp plan. He also thinks Joel Maden's comments should be explored and discussed.

Commissioner Stevenson believes that the historical section is larger than imagined. Agrees that the Klickitat tribe detail may be valuable to add, as Kallie Kurtz suggested. He would also be interested in adding the history of the Latinx community since their arrival in the 1980s. Commissioner Stevenson thinks the document may be too specific in some areas and would like to see it become general.

Commissioner Hohensee stated that he thinks that beyond word changes, the housing and environmental critical area element needs further review as two of the five commissioners were not present during that meeting, and the primary objective was to review public comments. He states the planning commission did not thoroughly analyze the goals and policies as a group. Therefore he suggested reviewing the goal and policy of housing and environmental critical area elements as a priority.

Commissioners reviewed each Affordability and Diversity Goal and responded to its applicability to the comprehensive plan, policy, or table for a code interpretation conversation. Further discussion included wordsmithing and clarification.

The planning commission agreed-upon changes to the following proposed goals:

GOAL H-1: Establish, support, and maintain a diverse stock of housing that serves the full range of ages, incomes, and household types, including long-term renters and people with special needs. NO CHANGE

Policy H-1.1: no issues. Review and update land use and zoning regulations to remove unnecessary barriers <u>and provide incentives for the</u> development of attainable <u>affordable</u> housing stock. The 2020 Urbanization Study contains policy recommendations that can be used as guidance for revising the code. Consider providing appropriate incentives and bonuses for high density residential development, such as townhomes, apartments, and other multifamily housing and affordable housing products, such as income-restricted units, single-resident occupancy units, and employee housing.

Policy H-1.2: Use and encourage innovative land use planning tools and strategies

that result in the development of <u>affordable</u> "workforce housing.," attainable for households earning between 80 to 120 percent of White Salmon median household income.

This can, in part, be achieved by supporting common-sense housing solutions, including gradual increases in housing density. This policy encourages the development of the following types of housing.

 Cottage housing and other smaller homes (less than 1,000 square feet), which are more affordable to construct and can be built as infill on existing home lots or on smaller lots.

Low-rise mixed-use buildings with complementary commercial components

Accessory dwelling units, especially in established neighborhoods

 "Live-work" spaces that support economic development through the allowance of home occupations, artisan/artist spaces, and craft manufacturing or light industry

 Housing for people with special needs, preferably within walking distance to public transportation, shopping, employment opportunities, medical facilities, schools, and other essential services

Adaptive reuse of preexisting, older, or historic structures
 Infill development near the downtown and hospital areas

Policy H-1.3: Recognize mobile homes/manufactured homes as a necessary, dignified, and functional attainable affordable housing solution. Support the continued existence of this attainable affordable housing option through the designation of land for mobile home/manufactured home parks. That prevents the development of single-family, stick-built homes.

Policy H-1.4: Lead local community outreach efforts to explore appropriate strategies that preserve long-term affordability of housing for both renters and homeowners, including, but not limited to, the following. • Vacation/short-term rental restrictions • Public/private partnerships • Public/housing authority acquisitions programs • Long-term affordability agreements with developers or property owners • Inclusionary housing policies, which require developers to sell or rent a certain number of new units to lowerincome residents in exchange for incentives, such as tax abatements, or flexible development code standards, such as density increases

Policy H-1.5: Promote and support the rehabilitation/renovation of existing, substandard housing.

Commissioners reviewed each Design and Neighborhoods Goal and responded to its applicability to the comprehensive plan, policy, or table for a code interpretation conversation. Further discussion included wordsmithing and clarification. NO CHANGE

Changes to the following proposed goals were consented to by the planning commission:

GOAL H-2: Maintain, support, and establish Maintain, establish, support, and maintain defined neighborhoods with homes that meet development code standards and enhance the quality of life for city residents.

Policy H-2.1: Establish-development and design-standards to help protect White Salmon's small-town feel and other aspects of community character.-, including site and building design. Consider standards that respond to and enhance the various viewsheds and unique topography of the area.

Policy H-2.2: Ensure residential development adds to the network of green spaces. and minimizes negative impacts on surrounding uses by • Establishing and maintaining a robust, healthy, and diverse tree canopy in residential neighborhoods. • Encouraging the enhancement of multifamily and mixed-use properties through native landscaping and plantings that provide interest through all seasons of the year.

Policy H-2.3: Incorporate pedestrian and bicycle paths into residential site design to connect neighborhoods to each other, to adjacent commercial areas, and to the larger pedestrian and bicycle network. NO CHANGE

Policy H-2.4: Require all residential developments to construct streets, associated pedestrian infrastructure, and street lighting to City standards. Encourage the use of low-impact development strategies, such as stormwater gardens, narrow streets, and native plant conservation to promote minimal impervious surfaces and minimize runoff in residential areas. NO CHANGE

Policy H-2.5: Promote safety and enhance the quality of life in existing and new residential neighborhoods by encouraging the implementation of "slow-and-safe" neighborhood street design features. These features should consider strategies that encourage slow-driving speeds, low-traffic volumes, shared-street behavior among users, narrow lanes where appropriate, and other elements that enhance pedestrian and bicycle networks within residential areas. NO CHANGE

Policy H-2.6: Preserve existing neighborhood design, and the village feel of White Salmon as the City accommodates new housing construction, and existing neighborhoods absorb additional density through protection of the architectural and urban design characteristics that are essential to White Salmon's identity. DELETE

Commissioners reviewed each Partnerships and Education Goal and responded to its applicability to the comprehensive plan, policy, or table for a code interpretation conversation. Further discussion included wordsmithing and clarification.

Changes to the following proposed goals were consented to by the planning commission:

GOAL H-3: Invest in local and regional partnerships for education and data collection to ensure supportive policies and structures are in place that promotes housing affordability. Engage with regional organizations that focus on housing education and data collection to ensure supportive policies that promote housing affordability.

Policy H-3.1: Provide contact information for, encourage, and support organizations, groups, and programs that provide homeownership education, technical and financial assistance, and facilities to populations with special needs so that they can remain and thrive in the community. Develop an implementation plan in coordination with housing

partners <u>for education and data collection</u> that supports specific strategies <u>to prevent</u> <u>homelessness</u>. Such as • Emergency shelter for youth and victims of domestic or other forms of abuse and trafficking. • Helping first-time or veteran homebuyers navigate purchasing a home. • Helping to qualify low-income residents to rent housing with vouchers. • Preventing at-risk or imminently homeless individuals and families from becoming homeless by offering tenant-landlord dispute mediation and emergency financial assistance. • Assisting people on fixed incomes, people with disabilities, or people that require in-home living assistance construct, maintain, or repair the health and safety features of their homes. • Providing chronically or long-term homeless individuals and families with essential services coordination.

Policy H-3.2: Maintain a collaborative and productive partnership with the MidColumbia and Columbia Gorge Housing Authority, and consider enlisting them as the agency of record to act as the Housing Authority for the City of White Salmon. Build new collaborative partnerships with other local and regional, public, and nonprofit housing groups to support efforts that provide attainable housing options in White Salmon. Maintain existing and build new partnerships with local and regional organizations to support policies that promote housing affordability.

Policy H-3.3: Continue to collect and evaluate data regarding the state of housing in White Salmon so that the City's response and approach can be tracked, measured, and adjusted over time. Along with studies and plans such as the 2020 Urbanization Study, this data and information should include • Permit data • Home sale volumes and prices • Home values and property tax collected • Buildable acreage • Anecdotal evidence of attainability.

Staff will do the initial editing on tonight's consensus before the consultants provide language and clarification on several items discussed by the commissioners.

Commissioners tabled the remainder of the Draft Comprehensive Plan discussion to a special planning commission workshop, tentatively June 30, 2021.

Commissioners plan to review each comment and responded to its applicability to the comprehensive plan or the city council to incorporate.

ADJOURNMENT

The meeting was adjourned at 8:40 p.m.

Greg Hohensee, Chairman

Erika Castro Guzman, Associate Planner

File Attachments for Item:

6. Workshop - Short-term Rentals



CITY OF WHITE SALMON MEMORANDUM

Meeting Date:	August 25, 2021	Meeting Title:	Planning Commission Board
Submitting Department:	Planning Department	Presenter:	Brendan Conboy, City Planner
Agenda Item:	Short Term Rental (STR) Moratorium – Work Session	Public Comment:	Νο

Purpose and Policy Considerations

On July 21, 2021, the White Salmon City Council adopted <u>Ordinance 2021-07-1083</u>, a Moratorium on New Short-term Rentals (STR) for a period of time not to exceed six months, unless extended for good cause pursuant to <u>RCW 35.63.200</u>. Short-term Rental is defined in Title 17 of the White Salmon Municipal Code as,

17.08.530 – Short-term rental, "A residential lodging use, that is not a hotel or motel or bed and breakfast in which a dwelling unit, or a portion thereof, that is offered or provided to a guest(s) by the residence owner or operator for a fee for fewer than thirty consecutive nights"

The ordinance requires that the Council hold a public hearing within 60 days of the of the moratorium taking effect. The Council has scheduled a public hearing for September 1, 2021. The intent of the moratorium is to respond to repeated and substantial complaint from members of the public citing the adverse impacts of unregulated STR uses across the community, broadly speaking. Council made the following key findings of fact in support of the ordinance:

- WHEREAS, short-term rentals have potential negative impacts on residential areas not originally anticipated, including but not limited to nuisance impacts such as excess garbage, insufficient parking, excess noise, trespassing, infringement upon privacy, increased fire risk, zoning code violations, inadequate insurance coverage, excess demands upon law enforcement, and other negative impacts on the peaceful enjoyment of neighborhoods and public health, safety, and welfare, and;
- WHEREAS, the proliferation of short-term rentals also has a potential negative impact on the economy of the city, exacerbating the scarcity of available long-term housing for permanent residents as well as creating excess demands on public services and facilities, and;
- WHEREAS, short term rentals have potential positive impacts by providing a higher return on investment for homeowners wishing to offset their own housing costs, enabling some residents and their families to remain in the City of White Salmon, and;
- WHEREAS, short term rentals have potential positive impacts on the economy of the city by increasing tourist-generated income, such as sales taxes, while also increasing sales for many local businesses, and;
- WHEREAS, these stated impacts from short-term rentals make the city inclined to impose some regulations on the industry, and
- WHEREAS, in order to have effective and appropriate regulation of short-term rentals, the city needs to maintain the status quo until such time as new short-term rental land use regulations can be considered by the Planning Commission and adopted by the City Council, and;

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• WHEREAS, a moratorium pertaining to the designation, permitting, construction, development, expansion, remodeling, creation, locating, and siting, etc., of new short-term rental uses needs to be enacted.

In the days following, the City issued a <u>statement</u> published across various media, including the City of White Salmon website, clarifying aspects of the moratorium to the public,

- 1. The moratorium allows any short-term rental that is currently permitted by the city to continue to operate. This means that a property owner has obtained a city business license and registered their short-term rental with the city.
- 2. The moratorium provides an amnesty program for any property owners that currently have bookings for their short-term rental as of July 21. These property owners will need to document their bookings, i.e. when they were made, etc. These property owners will then need to obtain a city business license and register their short-term rental with the city. This must be done within 30 days of the date of the moratorium (July 21, 2021).
- 3. New short-term rentals will not be allowed during the moratorium. This includes construction of new short-term rentals (permits issued after the moratorium), registration, etc. except as allowed in No. 2 above.
- 4. A public hearing will be held before the city council on September 1, 2021 at 6:00 p.m. This will allow residents and property owners to express their viewpoint about short-term rentals. Comments will be allowed in-person, via teleconference or by submitting comments by email to Jan Brending at janb@ci.white-salmon.wa.us.

Comprehensive Plan Goals and Policies

On August 18, 2021, The City Council enacted <u>Ordinance 2021-08-1084</u>, Adopting Revised Comprehensive Plan. Staff has identified relevant Goals and Policies of the 2040 Comprehensive Plan:

Land Use and Urbanization Chapter. The 2040 Comprehensive Plan designates STR as a commercial use.

Commercial and Industrial Lands

Businesses that would likely operate in these areas include grocery stores, pharmacies, restaurants and breweries, banks, hardware and home improvement stores, personal services, and convenience goods for local residential neighborhoods, nearby communities, and visitors alike. Hotels and short-term rental properties are also permitted within this designation, uses which add to the diverse character of this designation. (p.11)

Housing Chapter. Short-term rentals affect overall housing attainability.

Existing Conditions

Resulting from White Salmon's proximity to the Portland metropolitan area and because of its growing notoriety as an outdoor recreation hub, property values started to increase dramatically in the early 1990s as the number of second homes, vacation homes, and short-term rental properties grew. Short-term rentals affect overall housing attainability by reducing the number of properties available for long-term renters and driving up housing costs. That trend has continued throughout the first two decades of the twenty-first century, increasing both rental costs and average purchase price, as well as narrowing the available housing stock. (p.20)

Tenancy and Vacancy

The majority of people in White Salmon own the home they live in, but the share of vacant or seasonal or short-term rental housing has increased significantly over the past two decades, from 6 percent in 2000 to 21 percent of housing inventory in 2018.

- GOAL H-1: Establish, support and maintain a diverse stock of housing that serves the full range of ages, incomes and household types, including long-term renters and people with special needs.
 - Policy H-1.4: Lead local community outreach efforts to explore strategies that preserve long term affordability of housing for both renters and homeowners, including, but not limited to, the following.
 -Vacation/short-term rental restrictions

<u>Economic Development Chapter</u>. Short-term rentals have both financial impacts and benefits for the community but need to be analyzed periodically.

- GOAL EC-2: Support and expand on a robust tourism industry by capitalizing on the scenic beauty and proximity to recreational opportunities that White Salmon offers.
 - Policy EC-2.4: Periodically analyze existing transient facilities, including short-term rentals, hotels, and recreational vehicle parks and their financial impacts and benefits to the community.

Background

Short-Term Rental has dramatically altered the residential and commercial landscape of America as a force of 'creative destruction'. Disruptive technologies transform an economic structure from within, and in so doing destroy or undermine the old economic system. Such disruptive technologies have become more noticeable in everyday life in recent decades with the advent of widespread access to wireless internet services and geographic positioning systems available on any smart phone. Examples of disruptive technologies which have had impacts on society are businesses such as Uber, Venmo, Zoom, and Airbnb.

These disruptive industries are effective in achieving for the consumer a reduction in the time, effort, and/or the distance it takes to get the desired product which until recently was relatively fixed and inelastic. In other words, the hotel industry was caught flat-footed by the rise of STR because their business model is location specific, whereas STR can operate everywhere and without the overhead, regulation, or taxing which commercial lodging businesses must comply with. A reduction in cost of services results in adoption of the platform by the public, which the industry then utilizes to edge out traditional rivals in competitive markets, only to raise rates thereafter.

Airbnb, founded in 2008, makes money by charging guests and hosts a transaction fee for booking shortterm rental stays in private homes or apartments. While Airbnb was not the first instance of short-term rental, there was already an existing and robust vacation unit rental economy and the 'Bed and Breakfast' or Inn is as old as civilization itself, it was the first to develop a platform that made the facilitation of staying in and renting out a private residential unit easy and economical for guests and hosts, the latter of which now found themselves making a not insignificant profit off their home. Airbnb has spawned countless competitors which provide the same STR service, and proponents of the STR industry cite the lowered costs of stay for travelers, and the benefit of additional income to homeowners paying a mortgage. But in many cities and towns, especially natural amenity rich locations

like White Salmon, the rapid expansion and encroachment of STR uses into single-family residential neighborhoods has resulted in complaints about impacts to quality of life, housing costs, lack of control, and impacts to infrastructure.

Staff has analyzed the issue of illegal STR use within White Salmon and the surrounding area:

Analysis

Granicus is a software company which provides administrative services and tracking for government and private organizations. One of the tools that they have acquired is called Host Compliance, and it is an STR tracking software that scans the web for short-term rental listings, and then checks that listing as to whether it is approved, and if not delivers notification of violation and/or fine. They are not the only provider of this service, but they are the largest and most well established. Because there are now hundreds of competing platforms for listing STR rentals, it is near impossible and extremely time consuming to try to enforce the matter without tracking software. The aggregate data that Host compliance has been able to assemble for STR uses broadly speaking is striking:

- There has been a 15x increase in the number of STR listings since 2011
- 27 global markets saw home rentals outperform hotels in the last year
- 239% increase in STR party related complaints in the last year

At the time of this staff report publication, staff is still waiting on more detailed numbers specific to White Salmon, however Granicus was able to provide the following information:

- As of August 18th, 2021 there were 119 listings.
- Median price of \$182 a night
- Of the listing types 85% were single family homes, 10% multi-family homes, and six percent unknown.
- Of the unit types, 94% are entire homes, with 6% owner occupied homes
- The number of STR listings has grown by 20% in White Salmon over the past year

Per Urbanization Study incorporated in the Comprehensive Plan, there were 1,396 housing units with White Salmon. The recently released 2020 census data states there is a total of 1,618 housing units within Census Tract 9503.01¹ which is the combined city and Urban Exempt Area. Now, it has been estimated by the representative from Granicus that the likely number of units that are STR for some portion of the year and then otherwise vacant is likely closer to 200 total units. This results in an STR to Housing stock rate of as high as 12%. The share of vacant or seasonal or short-term rental housing in White Salmon has increased significantly over the past two decades, from 6% in 2000 to 21% of housing inventory in 2018. By comparison, in 2019 Hood River had an STR to Housing stock rate of 5.6% of units were second homes, 4.1% of housing was non-owner-occupied short-term rentals (grandfathered in by new policy), and 1.9% were owner occupied short-term rentals. By comparison, the following chart from a STR study from Ketchum in 2017 shows population, housing units, and usage classification in western mountain resort communities²:

¹ 2020 Census Demographic Data Map Viewer

² Pearthree, G. (2017). The High Cost of Unaffordable Housing in Ketchum, Idaho

Municipality	Total Housing Units	Owner Occupied Units	Percentage of Owner Occupied Units	Renter Occupied Units	Percentage of Renter Occupied Units	Vacant Housing Units	Percentage of Vacant Units
Town of Breckenridge	7,146	1,017	14%	937	13%	5,128	72%
Park City Municipal Corporation	10,715	1,835	17%	1,274	12%	7,607	71%
Town of Vail	7,366	1,223	17%	1,493	20%	4,649	63%
Ketchum	3,857	954	25%	615	16%	2,258	59%
Town of Telluride	2,145	464	22%	616	29%	1,065	50%
City of Steamboat Springs	10,308	3,386	33%	2,036	20%	4,886	47%
City of Aspen	6,364	1,899	30%	1,816	29%	2,649	42%
City of South Lake Tahoe	16,602	3,722	22%	6,091	37%	6,789	41%
Town of Crested Butte	1,090	372	34%	353	32%	344	32%
Town of Jackson	4,758	1,526	32%	2,370	50%	862	18%
City of Durango	8,482	3,560	42%	4,046	48%	876	10%

Table 1: Summary of Municipal Population, Housing Units, and Usage Classification in Western Mountain Resort Communities in the mid 2010s

Source: US Census Bureau, Census 2010 Summary with ESRI Housing Profile Projections for 2016. Prepared and provided by Jeffrey B. Jones, Summit County, Utah, February 2017. First published by Garrison, R., Cares, C., & McLeod, B. (2017). *Rent by Owner Study, Executive Summary*. Presented to the Town of Vail Economic Development and Finance Departments on April 25, 2017. Reproduced with permission. Ketchum data source (not included with original table): U.S. Census Bureau, American Community Survey 5-Year Estimates, 2011-2015.

A lack of affordable housing threatens the fabric of White Salmon's community. Costly housing results in residents expending more of their income for rent, or 'driving until they qualify' for cheaper rent elsewhere and paying increased transportation costs. Limited housing stock often results in individuals and families compromising with unsatisfactory living conditions. The causes of housing unaffordability are numerous and interconnected, but common factors which affect housing affordability in White Salmon are a precipitous rise in vacation/second homes, short-term rentals, an influx of residents drawn to the recreational and community character of the city, the viability of continued remote work options for many following Covid measures, and the broader housing market which has failed to produce a diversity of housing types in the preceding decades and instead produced almost exclusively detached single family homes.

This has limited supply and inflated costs beyond reach of the average household, however it is important to note that this situation is not simply a failure of supply and demand, rather it is more a failure of supply and *preference*, because the housing types that a large portion of the population currently and increasingly will prefer for cost and location are simply not being built, such as walkable infill development of multifamily duplex or triplex units, multiunit townhome and apartment buildings, cottage courts, etc. Each time a single-family home or apartment unit is converted into a short-term rental it has a drastic effect on the overall cost of housing and rent inflation. Furthermore, when individuals are evicted their demand for somewhere to live doesn't diminish and a rise in rent must be accommodated by a reduction in food, transportation, and substandard or overcrowded living conditions.

The incredibly low barrier to entry for a single-family homeowner to STR their property results in the individual successes of an initial host encouraging others to get in on the action thereby creating a cycle where a second homeowner or an apartment unit owner now makes the determination to continue to

rent out their unit long-term at the established rental rate, or to instead short-term rent the property and earn increased profits. Those that do not switch to STR use then raise their rental rate on account of what they could be earning with STR.

The economic costs STR imposes on White Salmon likely outweigh the benefits. While an STR use can be a big windfall for a property owner and provide accommodations for tourists where there otherwise were a lack of accommodations, however the costs to renters and local jurisdictions likely exceed the benefits to travelers and property owners. To enforce STR regulations, local governments must expend large sums of money for software and staff hours and increased STR use impacts utilities and roads. Additionally, the potential benefits of increased tourism are largely overblown.

Two studies by Guttentag (2016) and Morgan Stanley Research (2017) conducted rigorous surveys which both found that when asking respondents, "Thinking about your most recent Airbnb stay—If Airbnb and other similar person-to-person paid accommodations services (e.g., VRBO) did not exist, what type of accommodation would you have most likely used?" only 2% to 4% of individuals said that they not have taken the trip if an STR option was not available³. Studies claiming that Airbnb is supporting a lot of economic activity often vastly overstate the effect because they fail to account for the fact that much of this spending would have been done anyway by travelers staying in hotels or other alternative accommodations absent the Airbnb option.

The status quo of zoning regulations in cities reflects a broad presumption that short-term travelers likely impose greater externalities on long-term residents than do other long-term residents. Externalities are economic costs that are borne by people not directly engaged in a transaction. In the case of neighbors on a street with short-term renters, externalities include noise and stress on neighborhood infrastructure like trash pickup. These externalities are why hotels are clustered away from residential areas. For these reasons, staff recommends the Planning Commission discuss the issue of STR and explore potential regulatory tools to mitigate the negative externalities imposed.

Alternatives

Staff has identified the following tools and strategies employed by other communities to regulate STR.

Zoning Amendments

Staff suggests that the Planning Commission discuss the following alternatives:

- 1. An overlay of the commercial downtown core within which STR is an allowed use by permit without restriction on owner occupied or not. Outside of the overlay STR is not allowed.
- 2. An overlay of the commercial downtown core and walkable downtown residential core within which STR is an allowed use by permit with requirements for owner occupancy in the residential areas of the overlay. Outside of the overlay STR is not allowed.
- 3. Allow STR throughout the city by permit with requirements for owner-occupancy by location.
- 4. Do not regulate STR beyond current measures but make zoning amendments to make explicit that it is a commercial use not allowed in residential zones for enforcement purposes. Existing permitted uses will be able to continue their STR use.

³ Morgan Stanley Research. 2017. <u>Surprising Airbnb Adoption Slowdown in US/EU, and What It Means for Hotels</u> <u>and OTAs</u>. Report on Global Insight AlphaWise survey, November 2017.

- Additional text amendments to eliminate the ability of dual long-term and short-term use in order to prevent the renting of a unit long term for 8 months only to evict the tenant for the STR rental season.
- Requirements for on-site signage for approved STR units with contact info for conflict resolution and enforcement.
- Incentives for landlords to convert their STR to long-term housing
- Affordable housing mitigation requirements for new STR use (long term)

Tracking Software

Tracking software is essential for understanding the scope of the STR use in the community, identify revenue loss and administer fines, protect the community with health and safety measures in identifying and bringing STRs into compliance, and greater automation of tasks that reduce staff time. Additional tools include a 24/7 hotline for complaints or violations and consulting services.

Increase in Permit Fees

A common method is to price the cost of a permit at roughly one or two times the average cost of a night of stay. If the average is \$180 this would suggest an annual permit fee of around \$350-400 to cover administration costs and serve as a disincentive to STR.

Quantity and Duration Limits

Staff suggests that STR be limited to a set number of dates per year. This could be 30, 60, 90 days for residential units and within the commercial core or unlimited for non-owner occupied units in the commercial core. In addition, staff suggests setting a maximum number of STR units by location. For example, it may be reasonable to say that no more than 5%, 10%, 15% of all housing units in the downtown walkable core may be STR. Staff suggests placing a twilight cause on the automatic renewal of the permit of five years at which point it is available via lottery. Staff also suggests limiting the number of STR permits any one individual can receive from the city.

Recommendation

Staff recommends that the Planning Commission discuss staff's proposed alternatives and regulatory tools and provide direction to staff regarding desired outcome and recommendation to the City Council for the upcoming September 1, 2021, public hearing on the STR moratorium.