



March 6, 2017

To: Planning Commission

From: Roz Shirack, Chair
SCAN Land Use & Transportation Committee

Re: Comments on Proposed Short Term Rental amendments

These comments are a consensus of the SCAN Land Use & Transportation Committee. They have not yet been reviewed by the full SCAN Board. We are requesting a continuance of the hearing to give more time for continued review and input by the SCAN Board, which meets March 8.

Accessory Short-Term Rentals

The Committee generally supports staff's proposal to regulate accessory short-term rentals in residential zones. If accessory short-term rentals are now occurring illegally and are expected to proliferate in residential zones, then we support, with several added requirements noted below, the license requirements and special use standards proposed by staff and posted on the City's webpage on February 22. All of staff's proposed safeguards and the Committee's requests below should be adopted in order to mitigate potential negative impacts on surrounding residents.

In addition to the proposed requirements on pages 1-3 of draft Ordinance Bill No. xx-17, the Committee requests:

- Require a minimum of one off-street parking space. Current proposal requires no additional parking (p. 97). Most of the people attending the February 1 open house "voted" for requiring additional off-street parking, most indicating one space per guestroom. One additional space, whether one or two guestrooms are rented, is a good compromise. Required parking is needed, given that some residences may already have a parking deficit, that is, not provide the required two spaces for a single family home.
- Require the license and local representative contact information be displayed on the residence so it can be seen by the public. Current proposal does not require license or local representative to be displayed (p. 14). Local representative contact information must be displayed so neighbors have a contact for complaints when residence is non-hosted. An accessory short-term rental is commercial lodging and the property owner should be held to the same requirement as other businesses to display their license.
- Notify neighborhood associations of initial and renewal license applications so they can provide comment, similar to notification of liquor license applications. This is especially important for renewal applications because

neighborhood associations may be aware of neighbor complaints that were not formally filed with the City.

- Add grounds for revoking or suspending a license in the code (eg, 3 complaints results in revoking). Also add grounds for not renewing a license (eg, 3 complaints).
- Require an annual staff report on the number of accessory short-term rentals, a summary of data gathered from guest registries (eg, number of days rented hosted and non-hosted, number of guests, etc); number of complaints; and how complaints were resolved.

The Committee supports all the proposed special use standards in Section 8, pages 5-7, and believes all are necessary to mitigate potential negative impacts on neighbors. In addition to those standards the Committee requests:

- When the residence is non-hosted the maximum number of guests shall be 10. Current proposal has no maximum (p. 6).

Additional Comments:

- Set license application fee to cover 1) administrative expense of review, inspection, and approval; and 2) enforcement expense.
- Code is vague about enforcement. Clearly state the process for making a complaint and how that complaint will be responded to and resolved, including a deadline for resolving complaints. Clearly state the penalty for ignoring licensing requirements or special use standards.
- Standard (e) Transient Occupancy Tax on page 2 should be for **accessory** short-term rentals. This may be a drafting oversight.

Short-Term Rentals

The Committee opposes short-term rentals in residential zones, because it provides an incentive to remove housing stock from the market for long-term residential use. *With the documented shortage of affordable housing in Salem, and multi-family vacancy rate of only 2.6% in 2016, the City should encourage housing for permanent residences, not for transient renters.* The Committee also believes the potential for negative impacts on neighbors is much higher when a resident family or local representative is not present in the residence to monitor renters and to respond to concerns of neighbors. Neighbors include those on the other side of a wall in an apartment, duplex, or condo.

If short-term rentals are allowed in residential zones, then:

- A *resident* manager must be required. Most participants at the open house (11 out of 14) believed the operator should be required to own and live in the short-term rental.
- An owner should be limited to one short-term rental. This will prevent landlords from converting houses and apartments to the short-term rental market or building new dwellings earmarked for the short-term rental market. Most participants at the open house (13 out of 17) believed an operator of a short-term rental should not be allowed to operate more than one short-term rental in the city.
- Staff's proposed requirements and the Committee's requested requirements for accessory short-term rentals noted above should be adopted for short-term rentals in residential zones.

Added notes from Planning Commission Hearing

Did not agree to any of our requests. Mostly support pushing through as is. More concerned with making easy for owner to rent than for impacts on neighbors.

PC amended staff proposed amendments:

1. Guest registries are required for both short-term and accessory short-term rentals. Commission deleted "name and address of the person who made the reservation" from the list of required info that needs to be gathered on the guest registry.

2. Reduced annual inspections from annually to every 5 years after initial inspection for accessory short-term rental. No change to short-term rentals. Inspection is to verify 1. number of guest rooms (max 2), 2. Number and location of required parking (none required), 3. conformance with housing code, chapter 59. More important to have annual if parking is required.

Passed to Council for first reading- 8 yes to 1 no.

Testimony for and against

SWAN opposed both types of s-t rentals

Sunnyslope NA opposed both short-term rentals. If allowed, owner must be on site for short-term rental.

Because PC did not act on any of our requests, we need to request Council hold hearing so repeat to them.

Expand on need for enforcement. Display of license and local contact needed so citizens can get problem addressed same night or soon.

Require special use standards in Section 8 be verified before license is issued; and verified in ANNUAL inspections at license renewal, or verified before an existing license is renewed separate from the inspection process in Section 4.