

**MISSION STATEMENT: TO CREATE A HEALTHY, SAFE, DIVERSE, AND PROSPEROUS CITY
BY ENGAGING COMMUNITY MEMBERS TO DEVELOP AN ENRICHED QUALITY OF LIFE.**

PLANNING COMMISSION MEETING AGENDA

CITY OF ONTARIO OREGON

MONDAY, NOVEMBER 18, 2024, 6:00 PM, MT

[Zoom Link](#)



Pursuant to the Public Meetings Laws and Rules within the Oregon Revised Statutes, the Commission has the authority, ability, and standing to take action on any items on the Agenda, or add items to the Agenda, during a meeting, as long as all public meeting notice requirements have been met.

1) CALL TO ORDER

Roll Call: Blu Fortner ____ James Grissett ____ Max Twombly ____
Vice-Chair Michael Braden ____ Chair John Briedenbach ____ Vacant ____ Vacant ____

Council Ex-Officio ____ City Manager ____ Planning & Zoning Director ____
Planning & Zoning Technician ____

2) PLEDGE OF ALLEGIANCE

This Agenda was posted on . Copies of the Agenda are available at the Community Development Center and on the city's website at www.ontariooregon.org.

3) MOTION TO ADOPT THE AGENDA

4) MOTION TO ADOPT MINUTES

A) Motion to Adopt Minutes for September 9, 2024

5) PUBLIC COMMENTS Citizens may address the Planning Commission; however, the Planning Commission may not be able to provide an immediate answer or response. Out of respect to the Commissioners and others in attendance, please limit your comment to three minutes. Please state your name and city of residence for the record.

6) PRESENTATIONS

7) OLD BUSINESS

8) NEW BUSINESS

9) PUBLIC HEARING

A) ACTION 2024-10-13AZ: A REQUEST BY David Sullivan, representing The Sullivan Group LLC, for the ANNEXATION AND REZONING OF 6.958 ACRES OF PROPERTY FROM UGA LIGHT INDUSTRIAL (I-1) TO CITY LIGHT INDUSTRIAL (I-1)

B) Discussion about short-term rentals and direction whether to adopt/not adopt a short-term rental ordinance.

10) HAND-OUTS/DISCUSSION ITEMS

11) CORRESPONDENCE, COMMENTS AND EX-OFFICIO REPORTS

12) ADJOURN



PLANNING COMMISSION MEETING MINUTES

Monday, September 9, 2024

The Ontario Planning Commission was called to order at 6:00 pm in the Council Chambers of City Hall. Commission members present were: Blu Fortner, Max Twombly, Michael Braden and Chairman John Breidenbach. James Grissett attended online via Zoom. Two chairs were vacant.

City Staff present were; Dan Cummings, City Manager; Jennifer Braden, P&Z Technician; and Tatiana Burgess, Planning & Zoning Director. Susanne Mills, Ex-Officio, was present.

The meeting was recorded on tape and the tape was on file at the City Community Development Center. The Agenda for this meeting was emailed on or before September 3, 2024. Copies of the Agenda were available at the City Community Development Center.

John Breidenbach led everyone in the Pledge of Allegiance.

ADOPTION OF AGENDA

Michael Braden moved, seconded by Max Twombly, to adopt the Agenda as presented. Roll call vote: Fortner-yes; Grissett-yes; Twombly-yes; Braden-yes; Breidenbach-yes. Motion carried 5/0/0.

ADOPTION OF MINUTES FROM JUNE 10, 2024 MEETING

Michael Braden moved, seconded by Blu Fortner to adopt the minutes from June 10, 2024, as presented. Roll call vote: Fortner-yes; Grissett-yes; Twombly-yes; Braden-yes; Breidenbach-yes. Motion carried 5/0/0.

Chairman John Breidenbach opened the Public Hearing.
There were no unscheduled public appearances.

NEW BUSINESS DISCUSSION ITEM

Planning and Zoning Director Ms. Burgess presented the topic of discussion related to creating a City ordinance to regulate properties currently operating in Ontario as short-term rentals (*also referred to in this discussion as "AirBNB" or "STR" properties*). The proposed ordinance would address transient lodging tax that was being collected by the online booking agencies but not being paid to the City of Ontario, as well as building safety and zoning compliance for the properties. The Planning Commission was presented with an informational report and draft ordinance in the Planning Commission Packet.

Ms. Burgess opened the floor for discussion.

Mr. Grissett asked what impact generated fees would have for the City.

Ms. Burgess stated the transient lodging tax was 8% but was unable to make an accurate estimation due to the number of unknown factors.

Mr. Grissett expressed concerns that "policing" a new ordinance would be a strain on City resources, and that there may be a potentially negative impact for the existing STR owners. He also asked what had brought the existing STR properties to Ontario's attention.

Mr. Cummings responded that the current ordinance required any transient rentals must pay the TOT tax. The "AirBNB" properties found to be operating in Ontario were not paying that tax, and that is what was brought to the City's attention. The other issue discovered that not all of the rental rooms and/or properties met the State residential codes. Mr. Cummings said the City was now faced with the dilemma of either shutting down non-complying properties, or, creating a code that would enforce State residential codes and collection of the TOT tax. Mr. Cummings also noted that the listing agencies were charging the TOT tax when a property was booked, but nothing was being remitted to the City.

Mr. Grisset referred to the rule regarding rentals of rooms within a home or rentals of accessory structures on a principal property and asked about the definition of "rooms" and how "rooms" could be rented as STR's.

Ms. Burgess explained that the goal of the draft ordinance was to maintain consistency with other jurisdictions, to maintain a "good neighbor" mentality where STR's are located, and to create standards for regulation that would apply to all properties equally. She found that it was a common requirement for comparable jurisdictions to not allow multiple STR's on one single property. She also noted that the City's draft ordinance would limit STR's to specific zones within City limits, not to include properties in the Urban Growth Area.

Mr. Breidenbach asked if the State included STR's as part of their TOT-required businesses.

Ms. Burgess explained there were definitions under taxing regulations, but there were no State-wide regulations regarding the land use requirement. Each jurisdiction decided their own STR policies, tax revenue distribution and definitions for building and occupancy regulations.

Mr. Grisset commented that the specification of "room" vs "houses" was important. He also asked if the City was creating more complexity by implementing a new code, rather than enforcing the existing City code.

Mr. Cummings responded that the current ordinance required the TOT tax but did not have any enforcement power for tax compliance or for building and life safety requirements. He stated the goal was to keep the single-family zones from becoming rental zones. He also referred to the draft ordinance to highlight the distinctions between "room" and "accessory structure".

Ms. Burgess clarified that a property seeking to be an STR would have to be defined by numerous factors, including the definition of "bedroom". A single room, rented out of a private multi-room home, would be considered the STR for that property owner and that room would have to meet the definition of a "bedroom". The STR as a whole would have to be licensed, and all requirements met.

Mr. Grisset commented that the Ordinances in place should be enforced rather than creating a new ordinance to enforce. He stated that he felt that a new ordinance may negatively affect the current STR owners.

Mr. Breidenbach asked for clarification that current STR properties would not be penalized when they sought licensing.

Mr. Cummings confirmed they would not be penalized.

Mr. Grisset said he was concerned that there were properties operating without approval that may have unsafe renting conditions.

Mr. Cummings explained that the City currently had no authority to go into currently existing STR's to inspect for safety and code adherence. A new code will give the City an avenue to identify the properties and the authority to bring them under compliance.

Mr. Breidenbach shared that customers booking through "AirBNB" and similar sites were charged a TOT tax and that booking sites were collecting it, but those monies were not submitted it to the City. He also asked if Baker City had been successful into implementing a short-term rental code.

Ms. Burgess said that her research showed there had been a push for an ordinance in Baker City but could not find evidence a Code was ever adopted. She found that there appeared to be a community outcry over the not having an ordinance in place in Baker, due to the large number of properties that had been converted to "AirBNB" type rentals, and the negative impact they asserted that it had on the local housing and long-term rental market. Ms. Burgess found that Baker City did have a standard transient lodging tax ordinance but no standards for short-term rentals. She stated that through her research, she felt Ontario may be at risk for a similar situation developing.

Mr. Breidenbach commented he knew that the city of Sumpter, Oregon, had experienced negative outcomes due to the large number of properties that had been converted to STR's. He noted that various cities in Oregon had reached out to him over the years to see what Ontario had in place.

Mr. Cummings hoped that by implementing a code specific to these STRS, the City could prevent entities or corporations from buying multiple homes for use as STR's, and potentially creating a hardship for the local community's housing and long-term rental.

Ms. Burgess added that "owner" would be defined so that it will exclude property owners from using workarounds such as multiple LLC's or part-membership in corporations. She noted that this code would not prevent companies or owners from owning multiple traditional or long-term rental properties.

Mr. Grisset asked if hotels/motels would be affected.

Mr. Breidenbach responded that even though hotels are short term rental businesses, they have a different taxing category with the TOT at the State levels.

Ms. Burgess confirmed Mr. Breidenbach's statement and pointed out that the draft proposal classified an STR as a "dwelling unit", thus excluding hotels/motels.

Mr. Grisset asked if any research had been done to see if any complaints had been made by the community to police or ordinance regarding the existing STR's. He asked what concerns the City had if an owner were to purchase an entire block of residences and converted them to STR's, specifically rental owners/landlords who may need an income stop-gap.

Ms. Burgess responded that the main concern with having one owner of multiple property would be that it would create a false shortage of housing. She said that the limitations proposed would not prevent long-term rentals. Ms. Burgess explained that the intention of the proposed draft was to be a fair approach to the current situation but that it could be amended down the road if there are financial or economic changes that precipitate amendments.

Mr. Breidenbach asked for clarification on the definition of a short-term rentals.

Ms. Burgess replied that an STR was a rental that was less than 30 consecutive days.

Mr. Cummings commented safety was a high priority in this discussion and the goal was to allow owners to participate in this industry legally and safely, not to force them to shut down.

Ex-officio Mills commented that she felt that properties currently operating should be brought to Code but that overall, the STR/AirBNB properties were not positive for Ontario. She felt that hotels/motels were an adequate solution for customers seeking short-term stays. Ms. Mills expressed concerns that owners may find ways around the system to own and operate multiple STR. Ms. Mills also asked for clarification on number of inhabitants allowed per "room".

Ms. Burgess explained that, consistent with industry standards, the proposed ordinance would differentiate homes with less than five bedrooms, and "estate" homes with five or more bedrooms. Properties would still be able to be rented as one room in a dwelling OR rented as the entire dwelling unit.

Ms. Burgess pointed out that the application process would limit many of the common concerns such as parking and garbage service. The draft code also addressed complaint management by requiring a designated emergency contact person who would be required to respond to the property within 30 minutes in case of emergency or to respond to a complaint. Licenses would be required to be posted inside and posted outside so that they were clearly visible from the right of way, and the property contact information would be on the license.

Ms. Burgess thanked the Commission for the open discussion and feedback and recognized that it would greatly help to shape the process as this matter continued.

Mr. Breidenbach commented that he has found that people coming into Ontario for events and attractions were eager to find AirBNB-type properties and often preferred them to traditional hotel/motel options. Because of this, Mr. Breidenbach stated that he felt an ordinance would be beneficial. He also noted that *AirBNB.com*, *VRBO.com* and similar booking agencies had their own internal requirements that helped govern the properties, and that a property could lose the right to list if they violated company policies. Mr. Breidenbach acknowledged that this ordinance should be a working document, and that amendments or adaptations should be available if deemed necessary.

Mr. Cummings agreed with Mr. Breidenbach's comments and noted that AirBNB's and similar STR's are very different than the traditional bed & breakfast model and needed to be handled differently.

Mr. Breidenbach asked what action the Planning Commission should take at this meeting.

Mr. Cumming asked the Council to either make a motion on the draft ordinance or to make a motion to table the matter to allow for continued discussion.

Mr. Breidenbach asked for a motion to table the discussion.

Mr. Twombly added that he saw the advantages of STR's, especially for larger families or for multiple families vacationing together. He noted that STR's were often appealing because of the ability to shop and cook in the home. He also felt that there should be something in place for existing STR properties. He agreed that

more time to for discussion and to gather community input would be helpful. He also agreed that the application process should be affordable and easy to navigate.

Ms. Burgess pointed out that the nine requirements in the draft ordinance were simple and straightforward when compared to other jurisdictions she came across in her research and that they addressed the most common concerns with AirBNB's/STR's. She recognized the need to the process to be accessible.

Mr. Grissett stated that he wasn't opposed to licensing and registration and asked if there was an estimated cost for applicants.

Ms. Burgess replied that this application would be similar to other land use actions, specifically in the aspect that notice would be given to neighbors so that they could have a chance to comment before an STR came into their neighborhood. While the fee amount was not proposed in the draft ordinance, the cost would be comparable to similar land use application actions and would be enough to cover the cost for City staff to process the application and see it to completion.

Mr. Grissett asked if neighbors could prevent an STR property if they were opposed.

Mr. Cummings replied that if any land use action changes the use of a property, the neighbors have a right to an opinion on the proposed change. STR's would be treated as conditional use permits and all the ordinance and license requirements would have to be met. Once granted, the conditional use permit would be valid unless the safety requirements and the tax requirements were not met, at which time the permit could be revoked for violations.

Mr. Grissett said he has used them and sees a use for this type of property, and he thanked everyone for the good discussion.

Mr. Breidenbach asked for a motion to table the discussion.

Mr. Fortner moved to table the discussion regarding creating a code for short-term rentals until the next scheduled Planning Commission meeting.

Mr. Grissett seconded the motion.

MOTION TO TABLE THE SHORT-TERM RENTAL DISCUSSION

Blu Fortner moved, seconded by John Breidenbach to table the discussion regarding short-term rentals until the next scheduled Planning Commission meeting. Roll call vote: Fortner-yes; Grissett-yes; Twombly-yes; Braden-yes; Breidenbach-yes. Motion carried 5/0/0.

Mr. Braden asked to add a few comments. He shared that he had read the entire document and visited with Tatiana prior to the meeting with several questions. He stated all his questions for her had also been addressed by members of the Planning Commission during the discussion, and he was comfortable with tabling the discussion until a later time.

Mr. Breidenbach acknowledged the time and research Ms. Burgess put into the presentation, including making sure that the Building Official was involved in her research.

Mr. Twombly asked if the licensing the properties would include an inspection by the Building Official.

Mr. Cummings confirmed.

Mr. Fortner asked if properties would have to be ADA compliant.

Ms. Burgess said there were no ADA requirements for these STR's. She stated that the Building Official and Fire Chief had been consulted to ensure the draft ordinance met the minimum structural and the fire/life safety requirements.

Mr. Cummings commented that the City did not want to turn these properties into commercial properties that would include many more requirements for fire and safety. He also said current properties would not be "grandfathered" in, and that they would have to go through the licensing process. Mr. Cummings felt the code was a necessary vehicle to address this business/industry that was existing and operating in Ontario.

Discussion was closed.

There were no Old Business Discussion Items.

Chairman John Breidenbach opened the public hearing for the land use action.

ACTION 2024-07-10AZ: A REQUEST BY TY CURTIS, REPRESENTING TY AND BECKEY CURTIS FAMILY TRUST, FOR AN ANNEXATION OF TAX LOT 301 ON ASSESSOR'S MAP 18S47E05AA – A 0.34 ACRES PARCEL. THE PROPERTY WILL BE ANNEXED FROM ONTARIO'S URBAN GROWTH AREA TO THE CITY LIMITS, ZONED RS-50 (SINGLE-FAMILY RESIDENCE)

There were no objections to Planning Commission jurisdiction, no abstentions or ex-parte contact, or conflict of interest declarations.

Tatiana Burgess, Planning and Zoning Director, gave the staff report:

SUMMARY:

The subject property, identified as tax lot 301 on Assessor's Map 18S47E5AA, currently zoned UGA Residential, would be annexed to the City of Ontario and be zoned RS-50 (Single-Family Residence) as shown in this report.

BACKGROUND:

In 2020, the subject parcel consisted of 0.97 ac, more or less, zoned Residential (RS) within the Urban Growth Area. Per Ordinance #2780-2020 (Malheur County Recorded Instrument #2020-4380), a portion of the parcel (27,549 sq. ft. or approximately 0.63 ac. more or less) was rezoned to Light-Industrial (I-1) within the Urban Growth Area, with the intent of processing a property line adjustment, and add the newly rezoned land to the adjacent tax lot 300 on Assessor's Map 18S47E05AA. The deed for the property line adjustment was filed on April 6, 2021, and was done to align the property lines with the existing occupational lines.

The remaining parcel, consisting today of 14,908 sq. ft. or approximately 0.34 ac., zoned Residential within the Urban Growth Area, is already developed. There is a single-family dwelling on the property, constructed in 1966. The adjacent right-of-way (N Verde Dr) was previously annexed to the City by Ordinance #2757-2019.

This request for annexation needs a recommendation for approval or rejection from the Planning Commission to the City Council, who will be the decision maker for this request. This action specifically seeks approval for the annexation of tax lot 301 on Assessor's Map 18S47E05AA to the City limits, within the Single-family Residence (RS-50) zone, consisting of 0.34 ac., more or less.

CURRENT SITUATION:

The proposed annexation must comply with applicable provisions of the OCC (City of Ontario Zoning Ordinance as set forth in the Ontario City Code), and the City of Ontario Comprehensive Plan. Generally, unless otherwise noted, if a request is found to be consistent with the Zoning Ordinance, it is considered to be consistent with the Comprehensive Plan and the planned development is an approved zoning under the comprehensive plan.

Annexation:

1. 10B-45-10 INITIATION OF ACTION. When a person, authorized by statute, wishes to extend the City's boundaries, an application on forms supplied by the City shall be filed with the Planning Director and which include: annexation consent forms, by the property owners, and by tenants if required by law or court decision; request for a change in Zoning Map designation, or plan change if required; request for other quasi-judicial action if required; fees, and other exhibits and requirements for a quasi-judicial action as set forth in this Title. All land use actions associated with the annexation shall be consolidated, as feasible, and one fee paid.
2. OREGON REVISED STATUTE 222.125: Annexation by consent of all owners of land and majority of electors; proclamation of annexation. The legislative body of a city need not call or hold an election in the city or in any contiguous territory proposed to be annexed or hold the hearing otherwise required under ORS 222.120 when all of the owners of land in that territory and not less than 50 percent of the electors, if any, residing in the territory consent in writing to the annexation of the land in the territory and file a statement of their consent with the legislative body. Upon receiving written consent to annexation by owners and electors under this section, the legislative body of the city, by resolution or ordinance, may set the final boundaries of the area to be annexed by a legal description and proclaim the annexation.

Findings:

1. The applicants have paid the fees and provided the proper application with signatures.

2. The property is annexable because it lies inside the Urban Growth Boundary and is contiguous with the current city limits.
3. The property is currently zoned Residential within the Urban Growth Area, and the annexation will cause the property to be zone Single-family Residence (RS-50), consistent with contiguous properties.
4. A change to the comprehensive plan map or text is not necessary to annex the property; however, the annexation of the property must be consistent with all applicable Comprehensive Plan Policies.
5. Annexation would benefit the city by increasing tax revenue.

Conclusion: All criteria and standards applicable to a request for annexation have been met. The property may be annexed.

SUMMARY CONCLUSIONS AND PLANNING COMMISSION DECISION

A request for annexation and of property may be recommended for approval or denial by the Planning Commission to the City Council if all applicable decision criteria and standards are found met, or able to be met through appropriate conditions of approval. In this case, findings must be made by the Planning Commission that the specific criteria are either met, able to be met through conditions of approval, or not met; options and discussion are provided under “**Findings:**” and “**Conclusion:**” for each criterion. All the criteria and standards must be met in order for the request to be recommended for approval.

ANALYSIS:

- A. **STRATEGIC PLAN** This project falls under the Growth goal of the City Council's strategic plan; specifically allowing for annexation of land to add growth and more tax base. It allows for the development of the property.
- B. **FINANCIAL** This annexation will add to the City tax base.
- C. **TIMING** The rezoning of this property is needed in a timely manner to finalize the process that originated a few years back.
- D. **POLICY/LEGAL** The proposed annexation must comply with applicable provisions of the OCC (City of Ontario Zoning Ordinance as set forth in the Ontario City Code), and the City of Ontario Comprehensive Plan. Generally, unless otherwise noted, if a request is found to be consistent with the Zoning Ordinance it is consistent with the Comprehensive Plan.
An annexation must be done by an Ordinance and the City Council is the Final Authority for approving a City Ordinance.

ALTERNATIVES:

The Planning Commission could table the action until a time certain if more information is needed to make a decision.

RECOMMENDATION:

Staff recommends that the Planning Commission approve and adopt the findings of facts and send a recommendation to the City Council to approve the annexation from Urban Growth Area Residential zone to City Single-family Residence zone of the subject property as per the report.

PROPOSED MOTIONS:

A. APPROVAL:

1. *I MOVE THAT THE PLANNING COMMISSION APPROVE THE FINDING OF FACTS FOR THE ANNEXATION OF 0.34 ACRES OF THE SUBJECT PROPERTY FROM UGA RESIDENTIAL (UGA+RS) TO CITY SINGLE-FAMILY RESIDENCE ZONE (RS-50) AS SET FORTH IN ACTION 2024-07-10AZ BASED ON THE INFORMATION, FINDINGS AND CONCLUSIONS SET FORTH IN THIS REPORT.*

2. *I MOVE THAT THE REQUEST FOR ANNEXATION OF 0.34 ACRES OF THE SUBJECT PROPERTY FROM UGA RESIDENTIAL (UGA+RS) TO CITY SINGLE-FAMILY RESIDENCE ZONE (RS-50) AS SET FORTH IN ACTION 2024-07-10AZ BASED ON THE INFORMATION, FINDINGS AND CONCLUSIONS SET FORTH IN THIS REPORT BE RECOMMENDED FOR APPROVAL TO THE CITY COUNCIL*

B. DENIAL:

1. *I MOVE THAT THE REQUEST FOR ANNEXATION OF 0.34 ACRES OF THE SUBJECT PROPERTY FROM UGA RESIDENTIAL (UGA+RS) TO CITY SINGLE-FAMILY RESIDENCE ZONE (RS-50) AS SET FORTH IN ACTION 2024-07-10AZ BASED ON THE INFORMATION, FINDINGS AND CONCLUSIONS SET FORTH IN THIS REPORT BE RECOMMENDED FOR DENIAL TO THE CITY COUNCIL, BASED ON THE INFORMATION, FINDINGS AND CONCLUSIONS SET FORTH IN THIS REPORT. (NEED TO CHANGE STAFF FINDINGS).*

Ms. Burgess opened the floor to questions.

Mr. Breidenbach asked if all notifications were given properly, if there had been communication involving this.

Ms. Burgess said all notifications were given, and that she had received communication from the Rural Fire Protection District and the Rural Road Assessment District that they had no objections.

Mr. Cummings also stated that the Fair Housing District requested a copy of the report but did not send any comments back.

Ms. Burgess pointed out that the home is a secondary home for the Applicant's elderly parents when they are in the area, so it is not counting in the housing count for Ontario as a vacant home.

Mr. Cummings confirmed that Mr. Ty Curtis owns the home now, and that when the County finished their property line adjustments that the previous owners would annex into the City. They had already connected to City services, and this land use action was the last step in the process.

There were no proponents or opponents.

Mr. Breidenbach closed the Public Hearing.

APPROVAL OF PLANNING ACTION 2024-07-10AZ– FINDINGS OF FACT

Mr. Braden moved, seconded by Mr. Fortner to adopt the Finding of Fact as presented. Roll call vote: Fortner-yes; Grissett-yes; Twombly-yes; Braden-yes; Breidenbach-yes. Motion carried 5/0/0.

APPROVAL OF PLANNING ACTION 2024-07-10AZ

Mr. Braden moved, seconded by Mr. Fortner, to approve the Annexation and Rezone as presented. Roll call vote: Fortner-yes; Grissett-yes; Twombly-yes; Braden-yes; Breidenbach-yes. Motion carried 5/0/0.

No handouts or discussion for this meeting.

MOTION TO ADJOURN

Mr. Fortner moved, seconded by Mr. Twombly to adjourn. Roll call vote: Fortner-yes; Grissett-yes; Twombly-yes; Braden-yes; Breidenbach-yes. Motion carried 5/0/0.

John Breidenbach
Chairman

Attest: Jennifer Braden
Planning & Zoning Technician



**AGENDA REPORT
PUBLIC HEARING
November 18, 2024**

TO: Planning Commission

FROM: Tatiana Burgess, Planning Director

SUBJECT: **ACTION 2024-10-13AZ: A REQUEST BY DAVID SULLIVAN, REPRESENTING THE SULLIVAN GROUP LLC, FOR THE ANNEXATION AND REZONING OF 6.958 ACRES OF PROPERTY FROM UGA LIGHT INDUSTRIAL (I-1) TO CITY LIGHT INDUSTRIAL (I-1)**

DATE: November 8, 2024

PROPOSED MOTION:

APPROVAL:

1. I MOVE THAT THE PLANNING COMMISSION APPROVE THE FINDING OF FACTS FOR THE ANNEXATION AND REZONE OF 6.958 ACRES OF PROPERTY FROM UGA LIGHT INDUSTRIAL (I-1) TO CITY LIGHT INDUSTRIAL (I-1) AS SET FORTH IN ACTION 2024-10-13AZ BASED ON THE INFORMATION, FINDINGS AND CONCLUSIONS SET FORTH IN THIS REPORT.

1. I MOVE THAT THE REQUEST FOR ANNEXATION AND REZONE OF 6.958 ACRES OF PROPERTY FROM UGA LIGHT INDUSTRIAL (I-1) TO CITY LIGHT INDUSTRIAL (I-1) AS SET FORTH IN ACTION 2024-10-13AZ BASED ON THE INFORMATION, FINDINGS AND CONCLUSIONS SET FORTH IN THIS REPORT BE RECOMMENDED FOR APPROVAL TO THE CITY COUNCIL

DENIAL:

1. I MOVE THAT THE REQUEST FOR ANNEXATION AND REZONE OF THE OF 6.958 ACRES OF PROPERTY FROM UGA LIGHT INDUSTRIAL (I-1) TO CITY LIGHT INDUSTRIAL (I-1) AS SET FORTH IN ACTION 2024-10-13AZ BE RECOMMENDED FOR DENIAL TO THE CITY COUNCIL, BASED ON THE INFORMATION, FINDINGS AND CONCLUSIONS SET FORTH IN THIS REPORT. (NEED TO CHANGE STAFF FINDINGS).

SUMMARY:

The applicants/owner owns parcels of land, known as Tax Map 17S47E33C, tax lots 2301, 2400, 2500, 2600, 2700, 2800, 2801, 2900, 3000, 3100, 3200, 3300, 3301 and 3400 which said

tax lots are currently zoned UGA Light Industrial, and would like to annex said parcels and rezone to City Light Industrial as shown in this report.

BACKGROUND:

The total subject area that is being proposed for annexation is approximately 6.958 ac and includes the rights-of-way along NW 18th Ave, NW 13th St, NW Washington Ave, and US Hwy 201. The subject parcel are properties owned in fee title, by multiple parties: The Sullivan Group (owner of tax lots 2400, 2500, 2600, 2700, 2800, 2801, 2900), HEVN LLC (owner of tax lot 3300), Malheur County (owner of tax lots 2301, 3000, 3301) and Oregon Department of Transportation (ODOT) (owner of tax lots 2301, 3000, 3301).

The applicant initiated this request originally back in 2021, as they desire to develop more of the property, owned by The Sullivan Group LLC and HEVN LLC and facilitate a subsequent replat of the privately-owned subject parcels. It was agreed that the properties owned by Malheur County and ODOT would be included in this annexation, to make the City limit expansion more coherent and provide for contiguous zoning expansion, without creating a zoning gap along US Hwy 201.

CURRENT SITUATION:

All new proposed development must comply with applicable provisions of the OCC (City of Ontario Zoning Ordinance as set forth in the Ontario City Code), and the City of Ontario Comprehensive Plan. Generally, unless otherwise noted, if a request is found to be consistent with the Zoning Ordinance, it is considered to be consistent with the Comprehensive Plan and the planned development is an approved zoning under the comprehensive plan.

ANALYSIS:

- A. **STRATEGIC PLAN** This project falls under the Growth goal of the City Council's strategic plan; specifically allowing for annexation of land to add growth and more tax base. It allows for the development of the property.
- B. **FINANCIAL** This annexation will add to the City tax base.
- C. **TIMING** The rezoning of this property is needed in a timely manner to allow for development.
- D. **POLICY/LEGAL** The proposed development must comply with applicable provisions of the OCC (City of Ontario Zoning Ordinance as set forth in the Ontario City Code), and the City of Ontario Comprehensive Plan. Generally, unless otherwise noted, if a request is found to be consistent with the Zoning Ordinance it is consistent with the Comprehensive Plan. A rezone must be done by an Ordinance and the City Council is the Final Authority for approving a City Ordinance.

ALTERNATIVES:

The Planning Commission could table the action until a time certain if more information is needed to make a decision.

RECOMMENDATION:

Staff recommends that the Planning Commission approve and adopt the findings of facts and send a recommendation to the City Council to approve the annexation and rezone from Urban Growth Area Light Industrial zone to City Light Industrial zone of the subject property as per the report.

ATTACHMENTS:

1. 2024-10-13AZ_The Sullivan Group Staff Report



AGENDA REPORT PUBLIC HEARING

November 18, 2024

To: Planning Commission

FROM: Tatiana Burgess, Planning Director

SUBJECT: **ACTION 2024-10-13AZ: A REQUEST BY DAVID SULLIVAN REPRESENTING THE SULLIVAN GROUP, FOR AN ANNEXATION AND REZONE OF 6.958 ACRES OF PROPERTY FROM UGA LIGHT INDUSTRIAL (I-1) TO CITY LIGHT INDUSTRIAL (I-1)**

DATE: November 18, 2024

PROPOSED MOTION:

A. APPROVAL:

- 1. I MOVE THAT THE PLANNING COMMISSION APPROVE THE FINDING OF FACTS FOR THE ANNEXATION AND REZONE OF 6.958 ACRES OF PROPERTY FROM UGA LIGHT INDUSTRIAL (I-1) TO CITY LIGHT INDUSTRIAL (I-1) AS SET FORTH IN ACTION 2024-10-13AZ BASED ON THE INFORMATION, FINDINGS AND CONCLUSIONS SET FORTH IN THIS REPORT.**
- 2. I MOVE THAT THE REQUEST FOR ANNEXATION AND REZONE OF 6.958 ACRES OF PROPERTY FROM UGA LIGHT INDUSTRIAL (I-1) TO CITY LIGHT INDUSTRIAL (I-1) AS SET FORTH IN ACTION 2024-10-13AZ BASED ON THE INFORMATION, FINDINGS AND CONCLUSIONS SET FORTH IN THIS REPORT BE RECOMMENDED FOR APPROVAL TO THE CITY COUNCIL**

B. DENIAL:

- 1. I MOVE THAT THE REQUEST FOR ANNEXATION AND REZONE OF THE OF 6.958 ACRES OF PROPERTY FROM UGA LIGHT INDUSTRIAL (I-1) TO CITY LIGHT INDUSTRIAL (I-1) AS SET FORTH IN ACTION 2024-10-13AZ BE RECOMMENDED FOR DENIAL TO THE CITY COUNCIL, BASED ON THE INFORMATION, FINDINGS AND CONCLUSIONS SET FORTH IN THIS REPORT. (NEED TO CHANGE STAFF FINDINGS).**

SUMMARY:

The applicants/owner owns parcels of land, known as Tax Map 17S47E33C, tax lots 2301, 2400, 2500, 2600, 2700, 2800, 2801, 2900, 3000, 3100, 3200, 3300, 3301 and 3400 which said tax lots are currently zoned UGA Light Industrial, and would like to annex said parcels and rezone to City Light Industrial as shown in this report.

BACKGROUND:

The total subject area that is being proposed for annexation is approximately 6.958 ac and includes the rights-of-way along NW 18th Ave, NW 13th St, NW Washington Ave, and US Hwy 201. The subject parcel are properties owned in fee title, by multiple parties: The Sullivan Group (owner of tax lots 2400, 2500, 2600, 2700, 2800, 2801, 2900), HEVN LLC (owner of tax lot 3300), Malheur

County (owner of tax lots 2301, 3000, 3301) and Oregon Department of Transportation (ODOT) (owner of tax lots 2301, 3000, 3301).

The applicant initiated this request originally back in 2021, as they desire to develop more of the property, owned by The Sullivan Group LLC and HEVN LLC and facilitate a subsequent replat of the privately-owned subject parcels. It was agreed that the properties owned by Malheur County and ODOT would be included in this annexation, to make the City limit expansion more coherent and provide for contiguous zoning expansion, without creating a zoning gap along US Hwy 201.

CURRENT SITUATION:

All new proposed development must comply with applicable provisions of the OCC (City of Ontario Zoning Ordinance as set forth in the Ontario City Code), and the City of Ontario Comprehensive Plan. Generally, unless otherwise noted, if a request is found to be consistent with the Zoning Ordinance, it is considered to be consistent with the Comprehensive Plan and the planned development is an approved zoning under the comprehensive plan.

A. Rezone

1. Section 10B-20-30 REQUIRED FINDINGS, DECISION CRITERIA. In preparing findings to support a quasi-judicial zoning map amendment decision, the following findings shall be addressed except when alternatives are set forth or where a required finding clearly does not apply to the current action:

- a. The zoning map amendment is in conformance with statewide planning goals and guidelines.
- b. The zoning map amendment is in conformity with the acknowledged comprehensive plan.
- c. The applicant has demonstrated a mistake or error in the original zone designation, or the applicant has demonstrated a change in physical, social or market conditions generally affecting the area which make the proposed change appropriate.
- d. A public need is demonstrated for this zoning at this location and is not the granting of a special privilege for a single property or small group of properties.
- e. The property affected by the change is adequate in size and shape to facilitate its use and development as permitted under the new zoning classification.
- f. The property affected by the proposed change of zone is properly related to streets and public facilities and with services adequate to meet the demands of the uses allowed in the new zone.
- g. The proposed zoning map change will not result in adverse effects upon surrounding properties or surrounding uses from dust, noise, vibration, odor, heat, glare, lighting, or discharges into the air, water or land.

Findings:

1. Explain how the proposed zoning map amendment is in conformance with statewide planning goals and guidelines.

The City of Ontario, Malheur County and the State of Oregon have all agreed upon the Comprehensive Plan and Map. Within that map, the proposed annexation will expand City of Ontario's Light Industrial zoned land inventory in a harmonious way, as the subject area is directly adjacent to City Light Industrial zoned land to the east.

Due to the minimum parcel size limitations of properties within the urban growth area, the annexation will not only allow for a more functional reconfiguration of the subject properties, but will also allow for a better use for future developments consistent with the Light Industrial zone and promote economic growth and development of Ontario, Malheur County, and the State of Oregon.

2. Explain how the proposed zoning map amendment is in conformance with the Acknowledged Comprehensive Plan.

The property is within the City of Ontario UGA and the annexation and rezoning of the property is in compliance to the acknowledged Comprehensive Plan. The annexation will not render a change on allowed uses. The property zone will change from the Light Industrial zone within the Urban Growth Area, to the Light Industrial Zone within the City limits. The principal permitted and conditional uses will remain the same.

3. As applicant, you must explain how there has been a mistake or error in the original zone designation or a change in physical, social or market conditions generally affecting the area, which makes this proposed zone change appropriate.

The applicants requested zone change from UGA-Zone to City Zones does not imply that there has been a mistake or an error in the original zone. In fact, this request for annexation and zone change only shows that the original zone designation of UGA zones was done with future thought of economic growth in mind. What has changed is the growth and development around the subject area and the desire to potentially expand a Light-Industrial approved use. A proposed subsequent action, will be a replat, to reconfigure existing property lines to eliminate ownership on both sides of NW Washington, which will make better use of the property overall and avoid having unutilized lands.

4. As applicant, you must show a public need is demonstrated for this zoning at this location and is not the granting of a special privilege for a single property or small group of properties.

The public will benefit by annexing and re-zoning this parcel into the city limits through increased tax revenue, increased development and potential improvement the roads, curb, and gutter. This will also benefit the public by attracting business and employees at this location. The rezoning of the UGA Light Industrial to City Light Industrial, which matches the Comprehensive Plan, will allow for better use of the area. All surrounding properties are also zoned light-industrial, and the annexation will keep the proposal consistent with overall use of the area.

5. Explain how the property affected by the change, if approved, is adequate in size and shape to facilitate its use and development as permitted under the new zoning classification.

The minimum parcel size in the Light Industrial zone, once annexed in, is 7,500 sq. ft. The total proposed annexation area is 6.958 acres, more or less, including rights-of-way, which is sufficient to reconfigure the subject property and still meet the required minimum parcel size, as needed for a use consistent with the Light-Industrial zone.

6. Explain how the property affected by the proposed change of zone is properly related to streets and other public facilities and with services adequate to meet the demands of the uses allowed in the new zone. This shall explain how this proposal will not absorb a disproportionate share of public facilities, utilities and general assets.

The parcels far exceed the minimum parcel size for each zoning and will be able to be developed into large developments as planned for in the comprehensive plan. The surrounding infrastructure is capable of handling traffic and expansion of services, for future potential development of the parcels. As part of the UGA the property has been part of the City Transportation Master Plan, Water Master Plan, Waster Water Master Plan and the City Storm Water Master Plan and therefore have been approved to provide city services to the properties.

The properties, depending on their location, will each have access to existing rights-of-way: NW 13th St, NW 18th Ave, NW Washington Ave or Yturri Beltline (US Hwy 201).

7. Explain how the proposed change in zoning will not result in adverse effects upon surrounding properties or surrounding uses from dust, noise, vibration, odor, heat, glare, lighting, or discharges into the air, water or land.

The property is part of the city approved zoning and has been approved for the type of zoning once brought into the City limits and is in harmony with the surrounding developed property zoned accordingly and will not result in any adverse effects to the adjacent properties zoned the same. The principal permitted uses will remain the same, and consistent with the Light-Industrial zone.

Summary Conclusions: Based on the findings above: The City of Ontario Municipal Code Implements policies contained in the City of Ontario Comprehensive Plan conform to the Statewide Planning Goals; generally, if a proposed rezone meets all criteria and standards contained in the OMC, the request will be consistent with Comprehensive Plan Policies and therefore conform to the Statewide Planning Goals. As this proposal meets the criteria in the above section, this proposal is consistent with Statewide Planning Goals. **CRITERION IS MET**

a. The findings 2 above show that the request is within goals and conformance of the Acknowledged Comprehensive plan. Therefore, this proposal has demonstrated to be consistent with the Comprehensive Plan. **CRITERION IS MET**

b. The information in finding 3, indicates that there has been no mistake and the request is consistent with the Comprehensive Plan. Therefore, there is no mistake, and the request follows the comprehensive plan and approved zoning and demonstrates that this criterion is met. **CRITERION IS MET**

c. As noted in finding 4, rezoning from the UGA zones to City zones would not be considered as the granting of a special privilege for a single property or group of property owners as it is providing for the same zoning as the comprehensive plan and is the same zoning of the lands adjacent to these properties. **CRITERION IS MET**

d. As noted in the findings 5, the subject property size is adequate to demonstrate consistency with this criterion. **CRITERION IS MET**

e. As noted in the finding 6 above, the properties are properly related to streets and public

facilities within the public streets and the existing uses and services demonstrate that uses allowed in the proposed zone are provided. **CRITERION IS MET**

f. In the finding 7 above, that while the impact on surrounding properties will be low, with the proposed change in zoning, compliance with present City of Ontario ordinances will be essential in eliminating these issues. The permitted uses will remain the same and be subject to change due the annexation. **CRITERION IS MET**

Final Conclusion: ALL CRITERIA ARE MET

B. Annexation:

1. 10B-45-10 INITIATION OF ACTION. When a person, authorized by statute, wishes to extend the city's boundaries, an application on forms supplied by the city shall be filed with the Planning Director and which include: annexation consent forms, by the property owners, and by tenants if required by law or court decision; request for a change in zoning map designation, or plan change if required; request for other quasi-judicial action if required; fees, and other exhibits and requirements for a quasi-judicial action as set forth in this Title. All land use actions associated with the annexation shall be consolidated, as feasible, and one fee paid.

2. Oregon Revised Statute 222.125: Annexation by consent of all owners of land and majority of electors; proclamation of annexation. The legislative body of a city need not call or hold an election in the city or in any contiguous territory proposed to be annexed or hold the hearing otherwise required under ORS 222.120 when all of the owners of land in that territory and not less than 50 percent of the electors, if any, residing in the territory consent in writing to the annexation of the land in the territory and file a statement of their consent with the legislative body. Upon receiving written consent to annexation by owners and electors under this section, the legislative body of the city, by resolution or ordinance, may set the final boundaries of the area to be annexed by a legal description and proclaim the annexation.

Findings:

1. The applicants have paid the fees and provided the proper application with signatures.
2. The property is annexable because it lies inside the Urban Growth Boundary and is contiguous with the current city limits.
3. The property currently has three different UGA zones in the Urban Growth Area and the companion requested City zones are consistent with contiguous property.
4. Findings from preceding sections of this report are herein included by this reference. A change to the comprehensive plan map or text is not necessary to annex the property; however, the annexation of the property must be consistent with all applicable Comprehensive Plan Policies.
5. Annexation would benefit the city by increasing tax revenue, and by providing more potentially developable residential land.

Final Conclusion: All criteria and standards applicable to a request for annexation have been met. The property may be annexed.

SUMMARY CONCLUSIONS AND PLANNING COMMISSION DECISION

A request for annexation and rezoning of property may be recommended for approval or denial by the Planning Commission to the City Council if all applicable decision criteria and standards are found met, or able to be met through appropriate conditions of approval. In this case, findings must be made by the Planning Commission that the specific criteria are either met, able to be met through conditions of approval, or not met; options and discussion are provided under “**Findings:**” and “**Conclusion:**” for each criterion. **All** the criteria and standards must be met in order for the request to be recommended for approval.

ANALYSIS:

- A. **STRATEGIC PLAN** This project falls under the Growth goal of the City Council's strategic plan; specifically allowing for annexation of land to add growth and more tax base. It allows for the development of the property.
- B. **FINANCIAL** This annexation will add to the City tax base.
- C. **TIMING** The rezoning of this property is needed in a timely manner to allow for development.
- D. **POLICY/LEGAL** The proposed development must comply with applicable provisions of the OCC (City of Ontario Zoning Ordinance as set forth in the Ontario City Code), and the City of Ontario Comprehensive Plan. Generally, unless otherwise noted, if a request is found to be consistent with the Zoning Ordinance it is consistent with the Comprehensive Plan. A rezone must be done by an Ordinance and the City Council is the Final Authority for approving a City Ordinance.

ALTERNATIVES:

The Planning Commission could table the action until a time certain if more information is needed to make a decision.

RECOMMENDATION:

Staff recommends that the Planning Commission approve and adopt the findings of facts and send a recommendation to the City Council to approve the annexation and rezone from Urban Growth Area Light Industrial zone to City Light Industrial zone of the subject property as per the report.

ATTACHMENTS:

- 1. Attachments 1 Annexation Description
- 2. Attachments 2 Annexation Boundary Map
- 3. Attachments 3 Parcels Before Rezone
- 4. Attachments 4 Parcels After Rezone

Attachment “1”

Annexation Boundary Description

Land in Malheur County, Oregon, as follows:

A parcel of land being that portion of the N1/2 of the SW1/4 of Section 33, Township 17 South, Range 47 East, Willamette Meridian, Malheur County, Oregon, more particularly described as follows:

COMMENCING at a brass cap stamped PLS 2065 marking the W1/4 corner of said Section 33;

Thence S. 0°02'43" W., coincident with the west line of said SW1/4, a distance of 345.20 feet to the centerline extended of NW 20th Ave;

Thence S. 89°58'58" E., coincident with said centerline extended and the centerline of said NW 20th Ave, a distance of 1200.39 feet;

Thence S. 0°04'41" E., 212.44 feet to the NE corner of Tax Lot 2500 and the **POINT OF BEGINNING**;

Thence continuing, S. 0°04'41" W., coincident with the east line of said Tax Lot 2500, a distance of 10.00 feet;

Thence S. 89°58'58" E., 115.58 feet to the centerline of NW 12th St.;

Thence N. 0°03'44" W., coincident with said centerline, 100.08 feet to the NW corner of Tax Lot 3100; Thence S. 89°59'17" E., coincident with the north line and elongation of said Tax Lot 3100, a distance of 502.30 feet to the centerline of the Yturri Beltline;

Thence S. 32°21'09" W., coincident with said centerline, 506.10 feet to the centerline extended of NW 18th Ave;

Thence N. 89°58'58" W., coincident with said centerline extended and the centerline of said NW 18th Ave., 661.24 feet to the centerline of NW 13th St.;

Thence N. 0°00'56" W., coincident with said centerline, 383.62 feet to the centerline of NW Washington Ave;

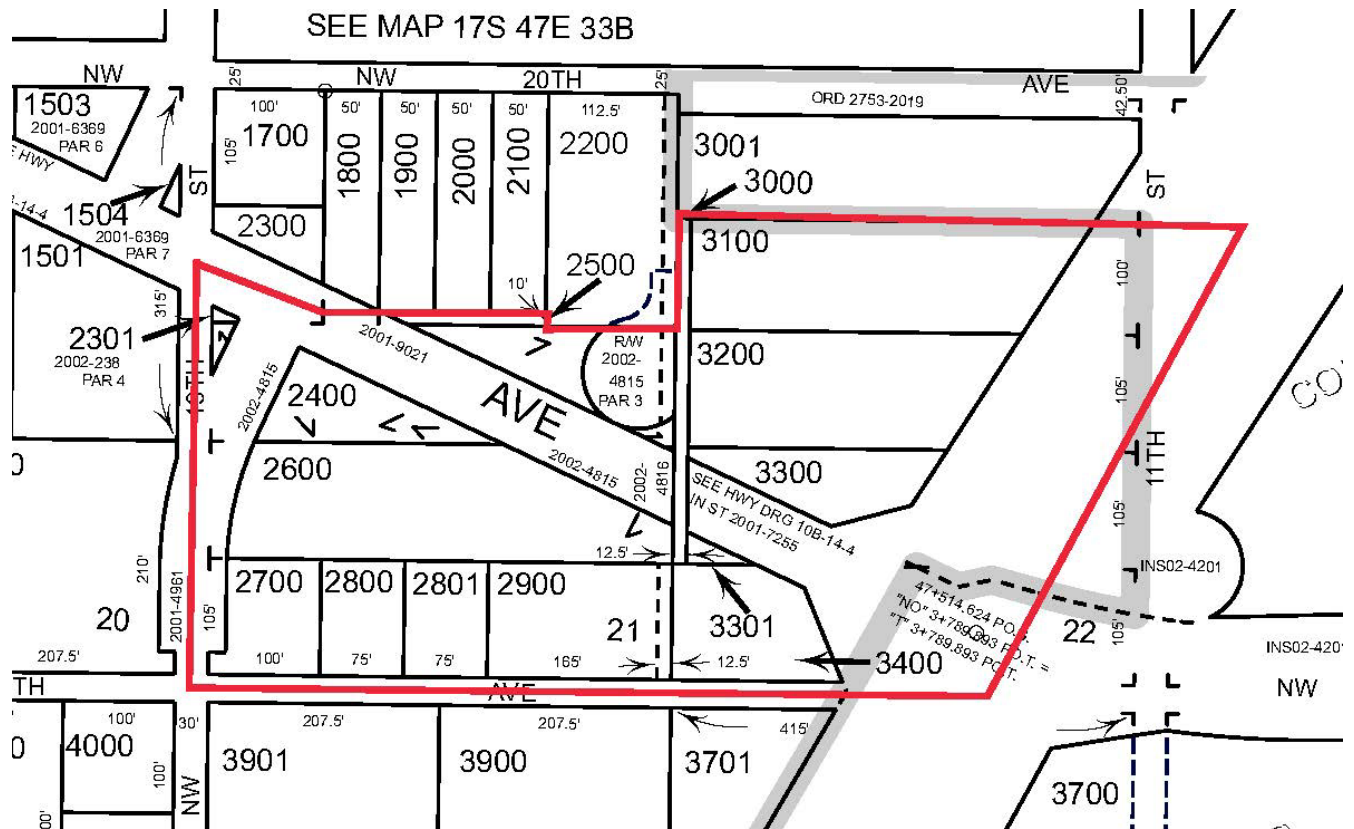
Thence S. 65°15'08" E., coincident with said centerline, 110.26 feet to the north line extended of said Tax Lot 2500;

Thence S. 89°58'58" E., coincident with said north line extended and the north line of said Tax Lot 2500, a distance of 214.28 feet to the **POINT OF BEGINNING**.

Said Annexation Parcel contains 6.958 acres more or less.

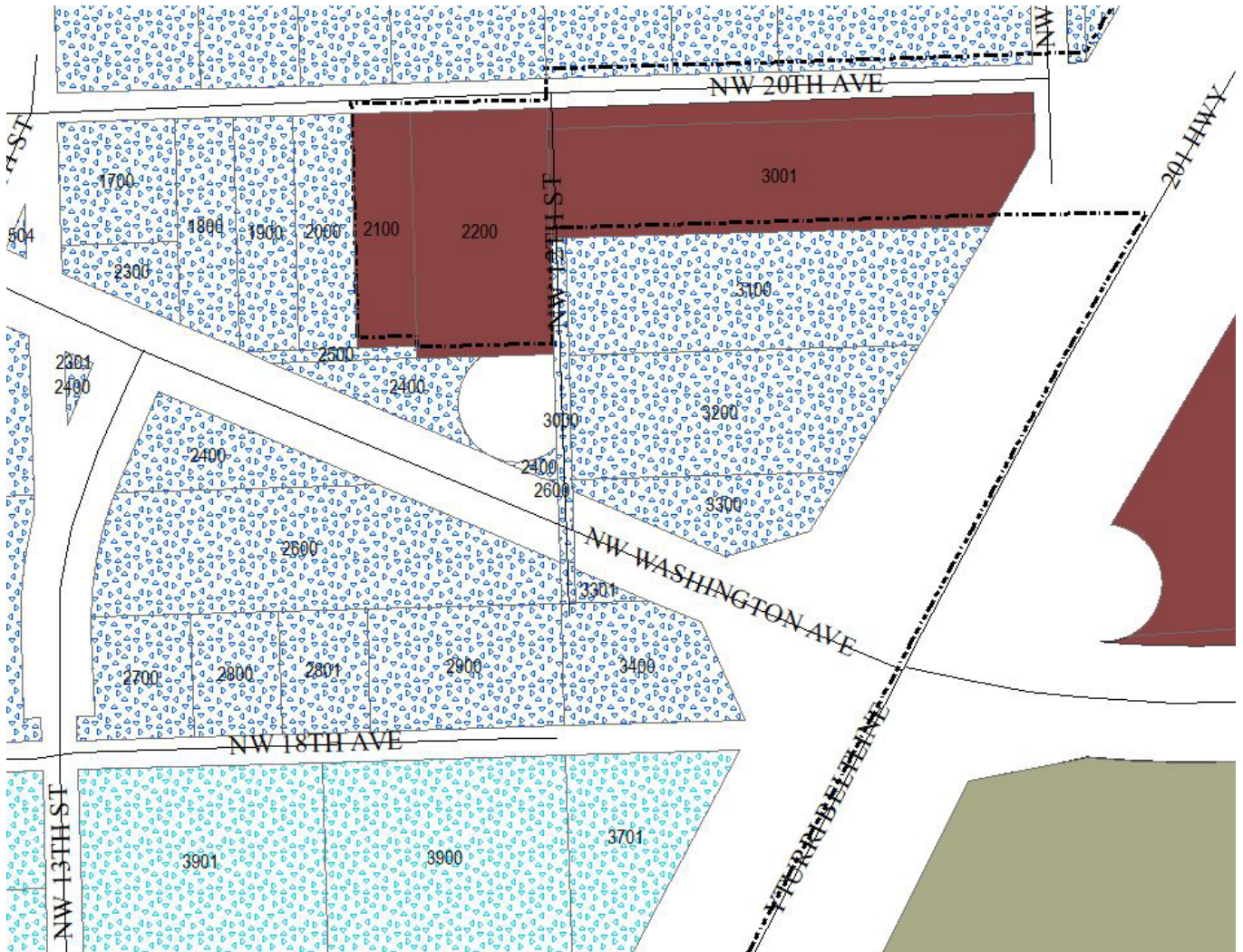
- End of Description -

Annexation Boundary Map



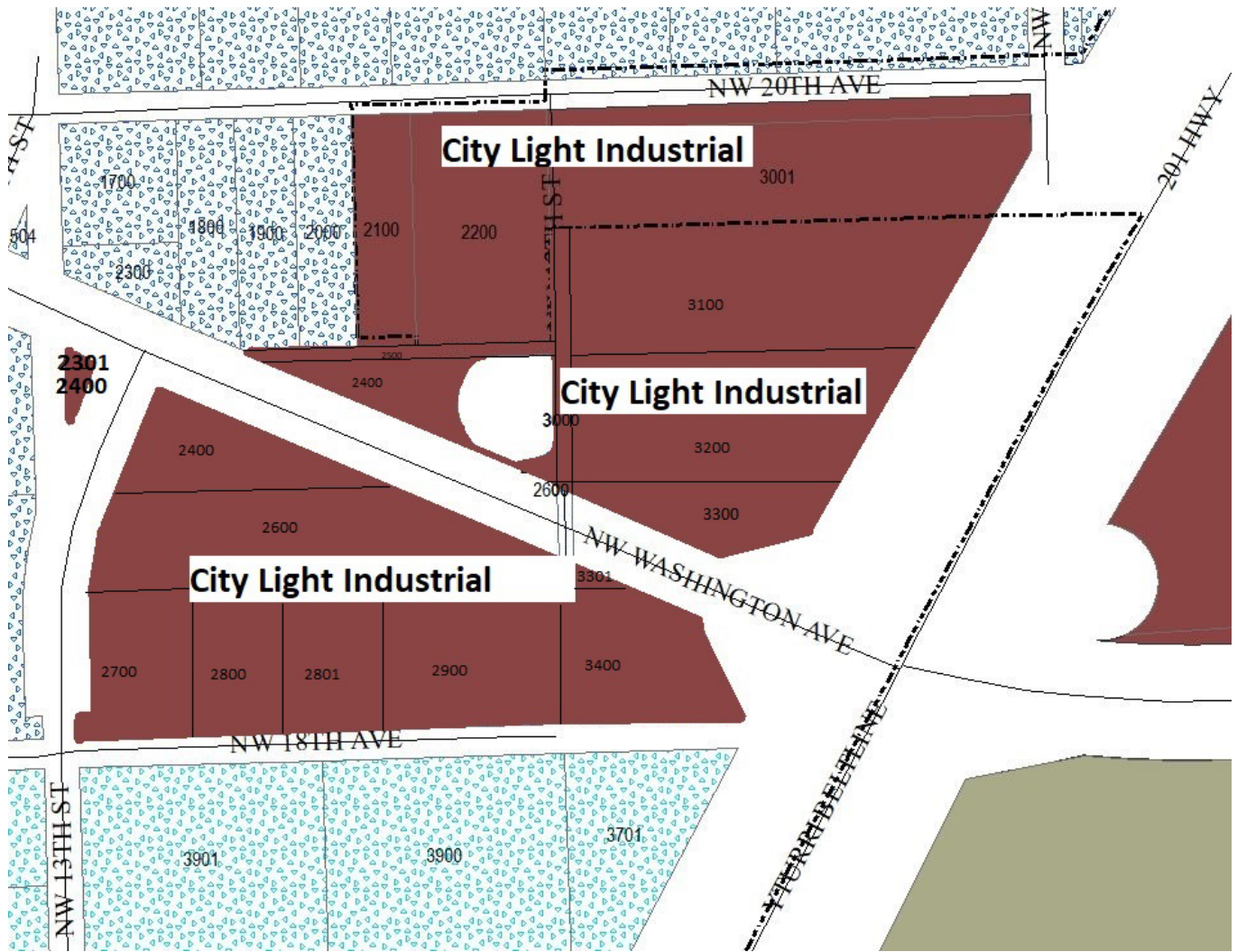
Attachment "3"

Parcels Before Rezone



Attachment "4"

Parcels After Rezone





**AGENDA REPORT
PUBLIC HEARING
November 18, 2024**

To: Planning Commission

FROM: Tatiana Burgess, Planning Director

SUBJECT: **DISCUSSION ABOUT SHORT-TERM RENTALS AND DIRECTION WHETHER TO ADOPT/NOT ADOPT A SHORT-TERM RENTAL ORDINANCE.**

DATE: September 3, 2024

PROPOSED MOTION:

- 1. TO DIRECT STAFF TO CREATE A SHORT-TERM RENTAL ORDINANCE.**
- 2. TO DIRECT STAFF TO NOT CREATE A SHORT-TERM RENTAL ORDINANCE.**

SUMMARY:

A **Short-Term Rental (STR)** is a fully furnished self-contained apartment or dwelling unit, that can be rented for short periods of time – less than 30 consecutive days, also known as “transient lodging”.

STRs can offer an affordable alternative to the standard hotel room amenities.

Currently, the City of Ontario does not have an ordinance regulating STRs.

BACKGROUND:

As of 08/29/2024, there are at least 8 listings on websites advertising STRs in Ontario, with some property owners listed as being hosts for at least the past 8 years. There are multiple properties available in Nyssa, Vale, Adrian, as well as in the neighboring Idaho towns. Across the United States, STRs represent a \$64 billion market with over 2.4 million properties and 785,000 hosts.

At the September 9, 2024 Planning Commission, a first discussion on the matter was initiated; however no action was taken. Planning Commission made a motion to table to discussion.

CURRENT SITUATION:

In Oregon, there is no uniformed legislative requirement that regulates STRs. While there are many jurisdictions that have adopted local ordinances to address STRs, many remain unregulated today.

Eastern Oregon Jurisdictions:

Malheur County No STR ordinance

County Seat: **Vale** No STR ordinance

Baker County No STR ordinance

County Seat: **Baker City** No STR ordinance. Transient lodging tax ordinance in place (2006)

Wallowa County Ordinance adopted 10/11/1999, amended 06/16/2003
County Seat: **Enterprise** No STR ordinance. Transient lodging tax ordinance in place (2019)

Union County 07/17/2024 Board of Commissioners approved 1st reading on STR Ordinance
County Seat: **La Grande** Ordinance adopted in 2023

Umatilla County No actual STR ordinance - Lodging defined, but no standards set
County Seat: **Pendleton** No STR ordinance. Transient lodging tax ordinance (2022); long-term rental defined only

Grant County No STR ordinance
County Seat: **Canyon City** No STR ordinance

Harney County No STR ordinance
County Seat: **Burns** STR and Transient lodging tax ordinance in place

ANALYSIS:

A. **STRATEGIC PLAN** Analyze and compare the positive and negative impacts:

B. **FINANCIAL COMMUNITY POSITIVE IMPACTS**

FINANCIAL:

- **PRIVATE:** STRs can offer a supplemental source of revenue to homeowners, from properties they already own. An STR landlord can on average make upwards of 30% more revenue than they would on a rent-controlled property.
- **PUBLIC:** All STRs are subject to the transient lodging tax, which is 1% of the rent charged by the operator. The transient lodging tax is distributed to Four Rivers Cultural Center and Museum, an Oregon nonprofit public benefit corporation, so long as Four Rivers Cultural Center qualifies as a “tourism-related facility”, per ORS 320.300(9)

ECONOMIC:

- Economic boost for local businesses through increased tourist traffic, which could result in higher sales and visibility for businesses. Traditionally, STR guests tend to stay longer than traditional hotel guests, allowing them more time to explore and spend money within the community. The extended duration of stay can lead to a more significant economic impact on local businesses, especially those offering unique products or services that appeal to travelers seeking an authentic experience.
- Potential job creation impact by producing hospitality, cleaning and maintenance jobs.

COMMUNITY NEGATIVE IMPACTS

FINANCIAL:

- Local jurisdictions have had to expand public funds allocated to code and law enforcement to react to problems caused by STRs.

- Loss of hotel/motel workforce to the STRs can cause distress and have an adverse impact on job retention and growth.

ECONOMIC:

- STRs can cause housing disruptions by decreasing both long-term rentals and housing availability, which can lead to an overall housing shortage and available housing supply.
- Increase in housing value, which can displace and marginalize lower-income households
- STRs can be disruptive to the traditional lodging providers that are at a competitive cost disadvantage. Traditional lodging providers – hotels/motel offer a range of services and are subject to more regulatory requirements than STRs and are unable to recuperate revenues lost to STRs.

SOCIAL:

- STRs can significantly alter the stability of residential neighborhoods. Mismanaged STRs can make properties and neighborhoods littered or even vandalized.
- STRs are often accompanied by noise complaints, parking congestion or even criminal activity.

- C. **TIMING** Ordinance will have to be adopted by City Council, through a public hearing process, with appropriate public notices.
- D. **POLICY/LEGAL** Ordinance will have to be adopted by City Council, through a public hearing process.

ALTERNATIVES:

The Planning Commission may choose not to regulate STRs at this time yet.

RECOMMENDATION:

CONCLUSION

Based on current trends of the industry, short-term rentals are a new type of lodging accommodation becoming more available and sought after by consumers. Ontario is a border community, with a high transient lodging demand and regulating short-term rentals will benefit the City of Ontario and protect its residents and visitors.

STAFF RECOMMENDATION

The lack of a short-term rental ordinance can become a bigger problem, as STRs become more popular. Staff recommends that Planning Commission welcomes public comment and input and adopts an ordinance, that can meet the community's needs and advances Ontario's mission to create a healthy, safe, diverse and prosperous city.

ATTACHMENTS:

1. SHORT TERM RENTAL ORDINANCE DRAFT
2. STR Staff Report

SHORT TERM RENTAL ORDINANCE No.XXXXX

Other existing definitions can be found in Title 10A-03

Definitions to be added to Title 10A-03:

10A-03-35.1: “BEDROOM” means a room intended and permitted to be used for sleeping purposes as defined by Oregon Residential Specialty Code, and has the following attributes, including but not limited to: a minimum of 70 square feet of floor space and not less than 7 feet in any horizontal dimension; a ceiling height of not less than 7 feet; light, ventilation and heating; an emergency escape and rescue opening, as defined by Oregon Residential Specialty Code; a smoke alarm and a carbon monoxide detector.

10A-03-65.1: “CONTACT PERSON” means the property owner or owner’s designee for the short-term rental, authorized to act on owner’s behalf. The contact person shall be available to be contacted at all times, 24 hours a day, 7 days a week. The contact person shall be able to respond by telephone within thirty (30) minutes to complaints directed by the local non-emergency line and shall respond in person within thirty (30) minutes to any additional or successive complaints, conduct of the occupants or operation of the short-term rental.

10A-03-83.1: “ESTATE HOME” means a single-family dwelling with five (5) or more bedrooms.

10A-03-185.1: “SHORT-TERM RENTAL” or “STR” is the rental of a dwelling unit in its entirety, on a day-to-day basis for a less than thirty (30) consecutive days.

10A-57-101 – SHORT-TERM RENTALS

10A-57-102 – Purpose

To provide guidance, standards and regulatory requirements to operate short-term rentals in an equitable manner, with the goal of minimizing impacts to the residential housing stock and existing neighborhoods. Short-term rentals shall be permitted in the following residential and commercial zones: RS-50, RD-40, RM-10, R-MH, C-1, C-2 and C-3.

10A-57-103 – Standards and requirements

All short-term rentals must be permitted and licensed. To qualify to obtain a permit and retain a license, the following standards and requirement must be met:

- (1) One active short-term rental permit is permitted per parcel. A single-family dwelling with an accessory dwelling unit shall not be rented separately to different parties, as this would be considered two separate short-term rentals on the same parcel and not permitted under this article.
- (2) All short-term rentals must comply to the term “dwelling”, as defined in section [10A-03-74](#) of Ontario Municipal Code. No non-conforming or non-permitted dwelling units shall be permitted as short-term rentals. Short-term rentals shall not include the use of a recreational vehicle, travel trailer, tent or other temporary shelter.
- (3) All short-term rentals shall be subject to the transient lodging tax requirements, as defined in section [3-18](#) of Ontario Municipal Code.
- (4) Maximum occupancy shall be limited to two persons per bedroom, plus two additional persons, not including children under the age of 12. Regardless of the number of bedrooms, the maximum short-term rental occupancy shall not exceed ten persons plus up to three children under the age of 12.

The maximum occupancy per bedroom requirement shall not apply to Estate Homes. The maximum occupancy of an Estate Home shall not exceed sixteen persons plus up to three children under the age of 12.

The number of bedrooms of a short-term rental shall be verified at the time of license issuance, license renewal and upon physical inspection of the short-term rental.

- (5) Each short-term rental shall have a designated contact person. The contact person shall be available to be contacted at all times, 24 hours a day, 7 days a week. The contact person shall be able to respond by telephone within thirty (30) minutes to complaints directed by the local non-emergency line and shall respond in person within thirty (30) minutes to any additional or successive complaints, concerns regarding the conduct of the occupants or operation of the short-term rental.
- (6) Each short-term rental shall be equipped with a minimum of one functioning fire extinguisher, placed in a visible and easily accessible location. Functioning smoke detectors shall be installed in each bedroom and outside of each bedroom. All electrical outlets and light switches shall have face plates.
- (7) All parking shall be contained onsite and shall meet the parking standards defined in section [10A-57-75](#) of Ontario Municipal Code. Enclosed garages or fenced

parking areas shall be easily accessible to guests at all times.

- (8) All short-term rentals shall comply to the noise control requirements defined in section [6-1-6.2](#) of Ontario Municipal Code. Quiet hours shall be observed between ten o'clock (10:00) P. M. and seven (7:00) A. M. of the following day.
- (9) Events that exceed maximum occupancy, unattended barking dogs or actions that exceed the noise control regulations are explicitly prohibited.

10A-57-104 – Application and License Requirements

- A. All short-term rentals shall be permitted. An application must be submitted to the Community Development Center. The applicant has the burden of proof to demonstrate compliance with standards defined in section 10A-57-103 of this title. An applicant for a short-term rental shall provide and certify the following information:
 - (1) Owner's and applicant's name, permanent residence address, phone number, email address and the short-term rental's physical address.
 - (2) Contact person for the short-term rental and the contact person's phone number, address and email address.
 - (3) A site plan and floor plan, drawn to scale, showing property boundaries, proof of access to a public right-of-way, building footprint, location and dimensions of parking spaces. The floor plan shall include the dimensions and locations of all bedrooms and space to be made available to the short-term renters.
 - (4) Proof of garbage service.
 - (5) Proof of liability insurance.
 - (6) Transient lodging business registration, as required per section [3-11-7](#) of Ontario Municipal Code.
 - (7) Inspection consent authorizing City of Ontario staff to conduct required inspections, including upon issuance and renewal of the short-term rental license.
 - (8) A copy of the house rules.
 - (9) Licensing fees.
- B. All short-term rental applications shall be filed, the appropriate fees paid, a review date scheduled, and Hearing officer review conducted according to the provisions of section [10B-04](#).
- C. A short-term rental license is valid for one calendar year and shall be renewed

annually by the last day of the month of the anniversary date of each ensuing year. The renewal license fee shall be paid before a renewal can be authorized. If the contact person changes during the 12-month period, the property owner shall notify the City in writing, within 30 days of the change and provide all new contact information. Failure to maintain current and correct contact information for the contact person or failure of the contact person to respond to calls, as required by section 10A-57-103(5) of this title, shall be considered a violation of this Ordinance and documented as a violation.

- D. An approved license shall be mandatorily posted both on the interior and exterior of a dwelling unit.

The interior posted license shall include: the license number and its expiration date, the number of bedrooms permitted as a short-term rental, the maximum occupancy, the number of parking spaces, the contact person for the short-term rental and the local non-emergency number.

The exterior posted license shall be displayed in a manner that is visible and easily read from the public right-of-way. The exterior posted license shall include: the license number and its expiration date, the local non-emergency number, the property address and the contact person for the short-term rental.

- E. A short-term rental license is not transferable and is issued to an owner and to a specific property. An owner shall hold a maximum of one short-term rental license at one given time. A change in ownership shall void an existing short-term rental license.

- F. A short-term rental license shall be revoked if:

- an owner fails to renew a license,
- if there have been 3 or more unresolved complaints or violations within a 12-month period,
- if the operation of the short-term rental presents a public, health or safety risk.

- G. Upon revocation of a short-term rental permit, a property owner shall not be permitted to submit a new application for a short-term rental permit for a period of two years from the date the permit was revoked.

A **Short-Term Rental (STR)** is a fully furnished self-contained apartment or dwelling unit, that can be rented for short periods of time – less than 30 consecutive days, also known as “transient lodging”.

STRs can offer an affordable alternative to the standard hotel room amenities. Currently, the City of Ontario does not have an ordinance regulating STRs.

BACKGROUND

As of 08/29/2024, there are at least 8 listings on websites advertising STRs in Ontario, with some property owners listed as being hosts for at least the past 8 years. There are multiple properties available in Nyssa, Vale, Adrian, as well as in the neighboring Idaho towns. Across the United States, STRs represent a \$64 billion market with over 2.4 million properties and 785,000 hosts.

In Oregon, there is no uniformed legislative requirement that regulates STRs. While there are many jurisdictions that have adopted local ordinances to address STRs, many remain unregulated today.

Eastern Oregon Jurisdictions:

Malheur County	No STR ordinance
County Seat: Vale	No STR ordinance
Baker County	No STR ordinance
County Seat: Baker City	No STR ordinance. Transient lodging tax ordinance in place (2006)
Wallowa County	Ordinance adopted 10/11/1999, amended 06/16/2003
County Seat: Enterprise	No STR ordinance. Transient lodging tax ordinance in place (2019)
Union County	07/17/2024 Board of Commissioners approved 1 st reading on STR Ordinance
County Seat: La Grande	Ordinance adopted in 2023
Umatilla County	No actual STR ordinance - Lodging defined, but no standards set
County Seat: Pendleton	No STR ordinance. Transient lodging tax ordinance (2022); long-term rental defined only
Grant County	No STR ordinance
County Seat: Canyon City	No STR ordinance
Harney County	No STR ordinance
County Seat: Burns	STR and Transient lodging tax ordinance in place

COMMUNITY POSITIVE IMPACTS

FINANCIAL:

- PRIVATE: STRs can offer a supplemental source of revenue to homeowners, from properties they already own. An STR landlord can on average make upwards of 30% more revenue than they would on a rent-controlled property.
- PUBLIC: All STRs are subject to the transient lodging tax, which is 1% of the rent charged by the operator. The transient lodging tax is distributed to Four Rivers Cultural Center and Museum, an Oregon nonprofit public benefit corporation, so long as Four River Cultural Center qualifies as a “tourism-related facility”, per ORS 320.300(9)

ECONOMIC:

- Economic boost for local businesses through increased tourist traffic, which could result in higher sales and visibility for businesses. Traditionally, STR guests tend to stay longer than traditional hotel guests, allowing them more time to explore and spend money within the community. The extended duration of stay can lead to a more significant economic impact on local businesses, especially those offering unique products or services that appeal to travelers seeking an authentic experience.
- Potential job creation impact by producing hospitality, cleaning and maintenance jobs.

COMMUNITY NEGATIVE IMPACTS

FINANCIAL:

- Local jurisdictions have had to expand public funds allocated to code and law enforcement to react to problems caused by STRs.
- Loss of hotel/motel workforce to the STRs can cause distress and have an adverse impact on job retention and growth.

ECONOMIC:

- STRs can cause housing disruptions by decreasing both long-term rentals and housing availability, which can lead to an overall housing shortage and available housing supply.

- Increase in housing value, which can displace and marginalize lower-income households
- STRs can be disruptive to the traditional lodging providers that are at a competitive cost disadvantage. Traditional lodging providers – hotels/motel offer a range of services and are subject to more regulatory requirements than STRs and are unable to recuperate revenues lost to STRs.

SOCIAL:

- STRs can significantly alter the stability of residential neighborhoods. Mismanaged STRs can make properties and neighborhoods littered or even vandalized.
- STRs are often accompanied by noise complaints, parking congestion or even criminal activity.

CONCLUSION

Based on current trends of the industry, short-term rentals are a new type of lodging accommodation becoming more available and sought after by consumers. Ontario is a border community, with a high transient lodging demand and regulating short-term rentals will benefit the City of Ontario and protect its residents and visitors.

STAFF RECOMMENDATION

The lack of a short-term rental ordinance can become a bigger problem, as STRs become more popular. Staff recommends that Planning Commission welcomes public comment and input and adopts an ordinance, that can meet the community's needs and advances Ontario's mission to create a healthy, safe, diverse and prosperous city.