



MEMORANDUM

To: Mayor and City Council

From: Mindi Hurley, Director of Community Development

Date: May 9, 2023

Reference: PUBLIC HEARING: Consider approval of amending definitions and text change to the Code of Ordinances, Chapter 12, Article 30 (S or Special Use Permits) defining and establishing Special Use Permit requirements for lodging houses (short term rentals (STRs), bed and breakfasts, boarding homes, hostels, vacation homes, and corporate housing) within the SF-7, SF-9, SF-12, SF-18, SF-ED and H Districts.

2040: **Future-Oriented Approach to Residential Development/
Enhance the Unique Community Oasis Experience**

Introduction:

The Special Use Permit section of Chapter 12, the *Zoning Ordinance*, addresses uses that are in general conformance with the master plan of the city and containing such requirements and safeguards are necessary to protect adjoining property. A special use permit (SUP) is an additional use that may be allowed on a case-by case basis and is in addition to the basic zoning classification of the property. SUP requests require an affirmative vote by City Council after a public hearing and proper notice, and after recommendations from the Planning and Zoning Commission. The proposed amendment is to establish Special Use Permit requirements for lodging houses (short term rentals (STRs), bed and breakfasts, boarding homes, hostels, vacation homes, and corporate housing) within the SF-7, SF-9, SF-12, SF-18, SF-ED and H Districts. Lodging Houses are a new addition to the SUP section of the *Zoning Ordinance*, and currently the STR requirements exist as its own ordinance outside of the *Zoning Ordinance*.

Background:

The first Short Term Rental Ordinance was passed by City Council on June 12, 2018. At the time the ordinance was approved, staff was still learning about short-term rentals and knew that the Ordinance would need to be reviewed at the end of 2019 to see if changes were needed. Several revisions have been made to the ordinance since that time, the latest being in December of 2022. STRs and regulations surrounding STRs have evolved and adding them to the SUP process is one more step in that evolution. The ordinance has been designed to provide a balance between meeting the desires of owner occupants to share their homes on an intermittent basis and providing protection for the neighboring properties. The proposed changes are a continuation of that balance. They aim to provide a clear understanding of definitions, processes, and enforcement. Providing this clarity increases the objectivity of all parties involved. The SUP process allows for more public involvement, it requires notification of property owners within 200-ft of the property in question, a courtesy notice for property owners within 800-ft of the property in question and a public hearing at the Planning and Zoning Commission Meeting and at the City Council Meeting.

On March 16, 2023, the Planning and Zoning Commission unanimously recommended APPROVAL of the text amendments to the Code of Ordinances, Chapter 12, “Zoning”, Article 12-30 “S or SUP, Special Use Permits” as outlined in the redlined draft attached.

Benefit to the Community:

The SUP process allows for more public involvement. It requires notification of property owners within 200-ft of the property in question, a courtesy notice for property owners within 800-ft of the property in question and a public hearing at the Planning and Zoning Commission Meeting and at the City Council Meeting.

Legal Review:

The City Attorney has reviewed the proposed ordinance changes.

Fiscal Impact:

This will generate additional Hotel Occupancy taxes (HOT) for residences allowed to have lodging houses.

Recommendation:

The Planning and Zoning Commission unanimously recommended APPROVAL of the proposed text amendments.

Attachments:

1. PZ Staff Report
2. Ordinance Changes (redlined)