



## STAFF REPORT

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<b>DATE:</b>	July 15, 2024
<b>NATURE OF APPLICATION:</b>	Amending Monroe Land Use Code to Allow Accessory Short-Term Rentals in Designated Zones
<b>APPLICABLE CRITERIA:</b>	<b>Monroe Land Use Code 2.500, 4.450</b>
<b>STAFF CONTACT:</b>	Steve Martinenko, City Administrator/Planner
<b>FILE NUMBER:</b>	PC2024-07

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### NATURE OF THE PROCEEDING

To consider allowing Accessory Short Term Rentals in designated zones within the City of Monroe and amending existing land use code.

### COMMENTS

Public comments have been received from two local business owners and two citizens in favor of allowing short term rentals as of the time this staff report was written.

### BACKGROUND

Accessory Short-Term Rentals are currently not a permitted use in any zone within the City of Monroe. This requires anyone who wishes to have a short-term rental to go through a Type III conditional land use decision process with the Monroe Planning Commission. In addition, there is an adversarial case with a resident who started a boarding house / bed and breakfast without Commission approval. The desire of both the Monroe Planning Commission and the City Council is to both better define what is a short-term rental, set the criteria for where short-term rentals are allowed, and establish the conditions for approval.

The Monroe City Council discussed proposed short-term rental amendments at their June 12, 2024 Ordinance Committee meeting and the outcomes from that meeting were reviewed by the Planning Commission at their July 1, 2024 meeting. The Planning Commission made five key recommendations to Council:

1. Reduce the residency requirement from 270 days to 180 days
2. Increase the allowable rentable rooms from 2 to 3 for a Type A1 Short-Term Rental
3. Allow more than 3 rooms to be rented, e.g., a whole house
4. Decrease the level of review to minimize a Type III land Use decision.
5. Invoke a cap on the number of short-term rentals at any given time.

At the July 8 Council Work Session, Council was in general agreement with the Planning Commission Recommendations. All discussion regarding short term rentals were in open and public meetings.

## **DECISION CRITERIA/FINDING OF FACT**

### **SECTION 2.500           CONDITIONAL USE**

**Decision Criteria.** Conditional uses listed in this Code may be permitted, altered, or enlarged upon authorization of the Planning Commission in accordance with the following findings:

**(a)    That the characteristics of the proposed development are compatible with the land use zone, the surrounding area and potential impacts have been mitigated to the maximum extent practical.**

1. Short-term rentals will be restricted to 10 dwellings city wide. Renting whole homes (up to 5 bedrooms) will be limited to 5 and counted as part of the total cap.

### **SECTION 4.450 RIVERSIDE DISTRICT OVERLAY**

(1) Purpose. The Riverside District Overlay implements the City of Monroe’s adopted vision for the Riverfront Area and the Monroe Riverside District Master Plan. It is the intent of this overlay to:

- Encourage development and redevelopment within the Riverside District that supports a vibrant pedestrian environment enjoyed by residents and visitors alike.
- Provide visual and physical access to the Long Tom River.
- Create multi-modal connections to businesses, public uses, open space, and natural areas within Monroe.
- Capitalize on the District’s location to support economic development in the City of Monroe.

(3) Use Standards.

(C) Residential Uses within the Riverfront District. The following residential developments are allowed in the Riverfront District, subject to Section 2.500 Conditional Use.

1. Residential uses in the Commercial (C) zone:

- a. Shall only be permitted as part of a vertical or horizontal mixed-use development. No stand-alone residential developments will be permitted in non-residential zones within the Riverside District.
  - b. New residential uses fronting Main Street, Commercial Street, or OR 99W shall be permitted only above a ground floor space containing a permitted non-residential use.
1. Short term rentals in the Riverside District Overlay zone will be allowed per these conditions as a Type II land use review.

## **LAND USE – GOALS & POLICIES**

### **BUSINESS GROWTH – Goal 2**

Policy ED 2.2 **Downtown Core Investment.** Encourage investment in the Downtown Commercial Core, such as walkable amenities: gas station, coffee shops, restaurants, and grocery stores.

Policy ED 2.4 **Drive Beautification Efforts.** Plan appealing, people-friendly streetscapes that make shopping downtown an enjoyable experience and accommodate public gathering for both residents and visitors.

### **DOWNTOWN MONROE – Goal 3**

POLICY LU 3.4 **Develop Commercial Space.** Encourage the development of a strong and healthy Historic Downtown retail, office, cultural, and residential center in Monroe.

POLICY LU 3.5 **Community Plans.** Implement the Monroe Riverside District Master Plan regulations and programs that support compatible and complementary mixed uses, including housing, hospitality services, restaurants, civic and institutional, offices, some types of industrial and retail uses, all at a relatively concentrated density.

### **RESIDENTIAL NEIGHBORHOOD LIVABILITY – Goal 5**

Policy LU 5.7 Provide for small-scale, neighborhood commercial centers that complement the Central Business District and which minimize routine travel from home to shopping.

Policy LU 5.8 Encourage a broad variety of commercial activities in convenient and desirable locations including outside of the Riverside District Overlay for future commercial growth.

## **URBANIZATION – GOALS & POLICIES**

### **GROWTH – Goal 1**

Policy UR 1.2 **Facilitate Infill**. Facilitate the infill development of vacant or underutilized land consistent with City Comprehensive Plan land use designations.

Policy UR 1.3 **Compact, Mixed-Use Development in Centers and Along Highway 99W Corridor**. Focus higher density, pedestrian-oriented, and transit-supportive mixed-use development near Transit Stations, the Riverside District, schools and neighborhood centers, and along the Highway 99W corridor.

Policy UR 1.5 **Targeted Revitalization**. Prioritize investment in and revitalization of areas where private investment patterns are not accomplishing this objective.

- (b) That the applicable provisions of city codes and ordinances are complied with.**
  - a. A new Use section 6.105 is added to the Monroe Land Use Code (appendix A)
  - b. Changes to the existing Monroe Land Use code:
    - i. **4.111(2)(d)** Change: Accessory buildings may be used for short term rentals per the standards of Article 6
    - ii. **4.121(2)** Permitted Uses. Add: Short Term rentals may be permitted with a Type II review subject to the standards in Article 6
    - iii. **6.100(b)** Deleted. [ADU's may be used for short term rentals]
- (c) That traffic congestion is avoided, pedestrian and vehicular safety is protected, and future street rights-of-way are protected.**
  - a. Rental restrictions are in place to limit congestion.
- (d) That the extent of emissions and potential nuisance characteristics are compatible with the land use zone, adjacent land uses, and the standards of all applicable regulatory agencies having jurisdiction.**
  - a. Rental restrictions for the number of rooms rented in residential zones. Commercial meetings are prohibited in residential zones.

## **CONCLUSION**

The findings presented in the decision criteria support the approval of amendments of the Monroe Land Use code for accessory short-term rentals within Monroe and supporting a cap on the number of rentals that can be allowed at any given time. The amendments will have no adverse impact to the city and is in concert with the Monroe's Land Use Code, decisions of the City Council, and goals and policies for economic development within the Riverside District Master Plan.

Granting the conditional use permit will assist the City of Monroe in meeting its goal to create a vibrant city center and accommodate the needs of the residents.

**RECOMMENDED MOTION**

***“I move to adopt the findings outlined in the “Decision Criteria” as presented in the staff report (or as modified by the Planning Commission) and amend the Monroe Land Use Code to allow accessory short term rentals with the provisions and conditions as prescribed.”***