PC Minutes 1/23/19

ITEM NO. 11 SPECIAL USE PERMIT FOR SHORT TERM RENTAL; 888 NEW HAMPSHIRE ST (KEW)

SUP-18-00565: Consider a Special Use Permit for non-owner occupied short-term rentals located at 888 New Hampshire St, Units 208, 209, & 216 in CD (Downtown Commercial) Zoning District. Submitted by First Management Inc on behalf of 100 E 9th LLC, property owner of record.

STAFF PRESENTATION

Katherine Weik presented the item.

APPLICANT PRESENTATION

Amanda Habiger, First Management, was present for questions.

PUBLIC COMMENT

<u>Courtney Shipley</u> said there was a hotel south of the property and wondered about the difference in parking requirements.

Weik said in the CD zoning district there was an exemption for parking. She said although parking was not required the hotel did provide parking.

COMMISSION DISCUSSION

Commissioner Sands said this was one of the cases that was in a more dense and multi-family area. He felt this was one of the dangers of short-term rentals and said there was potential for people to snatch up property and use it as investment property. He felt it was exacerbating housing issues.

Commissioner Paden asked if the applicant would pay the fee three times.

Weik said the applicant could register the three units under one fee because all three units were in the same structure.

McCullough said it would require three separate rental licenses but that the Special Use Permit would go with the property.

Commissioner Willey said she was comfortable with only three units and would support the Special Use Permit. She said they were still feeling their way with the new regulations.

Commissioner Sands wondered if this was the beginning of a wave.

Commissioner Paden said this was very much a commercial venture.

McCullough said the industry has evolved quickly. He said some multi-dwelling management companies were trying to churn some lease profit from un-occupied units.

Commissioner Sands wondered about a complaint in one unit applying to all units.

McCullough said it would be possible. He said it would depend on the nature of the complaint. He said revocation was a process and not automatic.

Commissioner Willey asked about units being used for short-term rental other than the ones approved.

Complete audio & video from this meeting can be found online:

https://lawrenceks.org/boards/lawrence-douglas-county-metropolitan-planning-commission/

McCullough said it could trigger a look into whether the applicant would need to amend the Special Use Permit to capture more units.

ACTION TAKEN

Motioned by Commissioner Sinclair, seconded by Commissioner Weaver, to approve a Special Use Permit, SUP-18-00565, for a non-owner occupied *Short Term Rental* use located at 888 New Hampshire Street and forwarding the request to the City Commission with a recommendation of approval, subject to the following conditions:

- 1. Per Section 20-554(3)(i) of the Land Development Code, all properties containing a *Short-Term Rental* Use shall comply with the occupancy limits of the zoning district in which the property is located. The subject property is zoned CD-UC (Downtown Commercial with Conservation Overlay) District. The approved site plan designated this structure for multi-dwelling apartments; therefore, a maximum of 4 unrelated occupants are permitted per dwelling unit.
- 2. Per Section 20-601 of the Land Development Code, the maximum number of available guest rooms associated with the *Non-owner Short-Term Rental* use may not exceed the number of off-street vehicle parking spaces available on the property. Off-street parking is not required in the CD district per Section 20-901(f); therefore, the maximum number of guest rooms that may be rented on a short-term basis is not limited by parking.
- 3. Per Section 20-554(3)(iii), the dwelling unit and site shall remain residential in appearance and characteristics. Internal or external changes that will make the dwelling unit and site appear less residential in character or function are prohibited. Examples of such prohibited alterations include, but are not limited to: construction of parking lots, paving of required setbacks, or the addition of commercial-like exterior lighting.
- 4. Per Section 6-13A04(a) of the City Code, a short-term rental license is required to be obtained annually from the Planning and Development Services Department. If the short-term rental license lapses for a period more than 12 consecutive months, the special use permit will be assumed to be abandoned. Reinstatement of the use will require review and approval of a new special use application.

Commissioner Carttar said this gave him pause and he would vote against it.

Commissioner Carpenter felt this deserved more discussion and more tweaks so he would vote against the motion.

Commissioner Sands said there was a fine line between property rights and the rules established.

Commissioner Willey said she would vote in favor in order to have people start to fall into compliance and evaluate the rules if needed.

Motion carried 6-3, with Commissioners Carpenter, Carttar, and Sands voting against the motion. Commissioners Butler, Paden, Sinclair, Struckhoff, Weaver, and Willey voted in favor.