

**MINUTES OF THE CITY OF HOLLADAY
PLANNING COMMISSION MEETING
Tuesday, November 6, 2017
7:00 p.m.
Holladay Municipal Center
4580 South 2300 East**

ATTENDANCE:

Planning Commission Members:

Ann Mackin, Acting Chair
Chris Layton
Alyssa Lloyd
Troy Holbrook

City Staff:

Paul Allred, Community Development Director
Jonathan Teerlink, City Planner

PRE-MEETING/WORK SESSION

The Work Session was called to order at 6:00 p.m.

PRESENTATION – Presentation by Ivory Homes and Woodbury Corporation on Impending Amendments to the Cottonwood Site Development Master Plan of the RM/MU Zone (Regional Mixed-Use).

The proposed project was presented by the applicant who gave a history of the property. The timing of redevelopment projects was discussed and determined to be lengthy. It was noted that all of the roads are in as are the street lights, signs, and hydrants. The applicant mentioned that they are proposing residential development on 40 of the 57 acres and mixed use on the remaining 17 acres. The existing Macy's store is approximately 60 feet tall. The various types of residential units were described. The mixed use was intended to be more intense. Three to four stories were proposed to buffer the residential. Just over 100 single-family homes were envisioned with the average purchase price being about \$1 million. The pricing was to begin in the high \$700s. There would be no small lots with most allowing for a three-car garage.

The developers met with architects earlier in the day and the model home in the proposed location will feature the most current design. This was expected to be the best single-family housing project Ivory has ever done. The brook stone units will range in size from 2,200 to 3,000 square feet. These units will be priced in the \$600,000 to \$700,000 range. Their other row townhouse units will be on the front and slightly smaller with pricing in the \$400,000 to \$500,000 range. Each will have a minimum two-car garage. They will have a manor house look and will be across the street from the single-family. The connectivity and circulation of the project was described. It was reported that the access points are fixed on the property.

A comment was made that the surrounding business owners are very enthusiastic about the proposed development. The hope was that it will help revitalize their businesses. The intent was to have a push for office since it will comprise the daytime population. Models with a significant amount of office and housing have been very successful. The following Thursday a tour was scheduled to allow the Commissioners to see examples of housing and mixed-use together.

The architecture of the single-family housing was described. The homes will range in size from 2,000 to 5,000 square feet. The intent was to provide classic design and homes of varying sizes. It was important to the developers to have an edge along Highland Drive next to the residential, which has not been the case in the past. The edge will consist of two to three-story townhomes with roof decks. The developers were specifically not proposing a wall in that area. The edge to the mixed-use will consist of luxury brown stones and additional height.

It was noted that there will be a daytime population in the office, a morning and evening population in the residential, and adequate parking for both uses. The details were to be presented by the end of the week. A suggestion was made that it would be better planning to have access on to Memory Lane. Access points were identified. The developers indicated that the proposed layout will have less impact on traffic.

Community Development Director, Paul Allred, reported that the City plans to hold a public hearing on November 21. Notice will be provided to all property owners within 500 feet. A City-sponsored open house will be held in early December.

The Work Meeting adjourned at 7:02 p.m.

1. CONVENE REGULAR MEETING

In the absence of Planning Commission Chair, Jim Carter, Ann Mackin called the meeting to order at 7:06 p.m. and read the Commission statement.

ACTION ITEMS

2. PUBLIC HEARING – Conditional Use Permit; Short-Term Rental – 3915 South Feramorz Drive.

The applicant, Lance Walker, reported that he and his wife own a duplex and live in one side and rent out the other side as a short-term rental. They were present to apply for a Conditional Use Permit in order to continue renting it. The property is listed on Airbnb.com and their guests come from all over the world. Mr. Walker stated that they began operating the short-term rental in May of 2016 and the average rental period is four to five days. The minimum stay they allow is three days. Their longest stay has been six weeks.

City Planner, Jonathan Teerlink, stated that normally a single-family home can be rented for a contractual period. If a contractual period is less than 30 days with a recycling of tenants, they are considered short stay and restricted to certain zones. They must also be located on larger arterial streets so that there is easy access to a collector street. Mr. Teerlink explained that 3900 South is one of those arterial streets and allows for short-term rentals.

Commissioner Layton asked how renters are qualified. Mr. Walker stated that Airbnb has a rating system where guests are reviewed after each stay. He indicated that they typically do not allow people to guests who do not have reviews. Prospective guests are also required to have different forms of identification. They provide pictures of their government ID, associate their social media accounts with their Airbnb account, and get recommendations from friends and family who vouch for their character. Mr. Walker noted that Airbnb is built around a community of trust, which is why they chose to go with that platform. Candidates are screened rigorously. Mr. Walker stated that they meet most of their guests in person.

A comment was made that guests should never approach the neighbors if they have a problem contacting the Walkers. Mr. Walker stated that that should never happen and they are always available by phone. It was also noted that the applicants turned away several groups this year that they were not comfortable with. In response to a question raised, Mr. Teerlink stated that there is no rule governing the number of people who can stay in a short-term rental. In this case, the subject unit has four bedrooms and is 3,200 square feet in size. The average group size is six to seven people. It was noted that the subject property is primarily surrounded by single-family homes. Mrs. Walker indicated that the home across the street is a duplex and the other nearby homes are single-family.

Chair Mackin opened the public hearing.

Rebecca Williams reported that she lives to the south of the subject property at 3923 Feramorz Drive. The idea of a bed and breakfast sounded okay to her when it was first envisioned; however, it has been a disaster. There are large numbers of people at the home and there are always cars parked on the street. The Airbnb listing indicates that they have 14 beds in the home, which equates to 420 people per month and 5,040 guests per year. To her, that seemed like far too many for a residential neighborhood. The Walkers cater to large groups, which creates a parking problem since the residence does not have a lot of on-site parking. There is almost always a car parked in front of Ms. Williams home overnight which annoyed her. Ms. Williams stated that because the Walkers live in the unit closest to 3900 South, all of the windows face her home and look directly into her backyard. She did not like the fact that there are always a lot of people there. She has no idea who they are and why they are there. She did not consider the Airbnb vetting process to be thorough. Even if they were thorough with the one person who is renting the unit, they have no idea about the background of the other guests.

Ms. Williams recalled an incident where she watched someone walk from the Walker's short-term rental unit to a car on the street, trespassed onto her property, looked in her windows, and tried to open her door. The door was locked and they returned to the rental unit. She found that incident to be very unsettling. On another occasion she had renters ring her doorbell at 10:30 p.m. who needed assistance, which she did not appreciate. Ms. Williams stated that the property has also been rented for the filming of commercials, which is disruptive. The Walkers bring in crews and the entire street is congested. On one occasion, Ms. Williams was home making home improvements of her own and was informed by a crew member that she was making too much noise and disturbing their filming. Ms. Williams did not like the consistent pattern of having issues with the renters next door.

Jeff Lund stated that he lives across the street at 3916 South Feramorz Drive and has been a resident for 12 years. They were excited for the Walkers to move into the neighborhood and they like the family. Mr. Lund asked if both units can be rented at the same time. He also inquired about parking regulations. He stated that while parking has been an issue, the main problem has been with filming of commercials. He asked what regulation and oversight the City would provide with the use. Mr. Lund stated that his children are grown so he had no concerns about who the unit is rented to. He did, however, wonder if there would be additional patrols by law enforcement.

Madsen Walker identified himself as Lance Walker's brother and gave his address 2236 East Laney Avenue. When the Walkers moved into the duplex, there were long-term renters on the side they now reside. There were four women living there and there were more cars at that time than there are now. He stated that the Walkers are reasonable and if there is an issue they will work to resolve it. Mr. Walker stated that he has met many of the guests and offered to be the point of contact if Lance and Chrissy are not available.

Chrissy Walker addressed some of the concerns raised by Ms. Williams. She stated that in order to obtain the Conditional Use Permit, all vehicles must be on the property and none on the street. Ever since they became aware of that requirement, they have followed it. They want to be considerate of their neighbors. With regard to commercials, she stated that she is an interior designer by profession and as soon as she heard that her neighbors did not like what was going on, she apologized and agreed not to do any more commercials there. Mrs. Walker stated that the home can sleep a maximum of 12 people. She reviewed the groups that have stayed there and determined that the average is between 6 and 7 per stay. She clarified that there are six beds in the unit and the website does not list 14 beds.

Michelle Lund gave her address as 3916 South Feramorz and stated that she lives across the street. She too is a designer and works from home. She confirmed that there is a significant parking issue. On a few occasions she has had to call Chrissy and ask her to have cars moved that are blocking her driveway. She recommended there be restrictions on how many people can stay in the unit. Mrs. Lund stated that the Walker's listing specifies that the unit accommodates 14 people. While parties are not allowed, comments on the site mention parties that have taken place on the property. Safety was of concern to her. She expressed concern with her property being devalued by having a short-term rental across the street. Mrs. Lund understood that more money can be made off of short-term rentals, but she did not want the Walkers gain to be at her expense. She commented that the current use is a detriment to her as a neighbor.

Elizabeth Jerome gave her address as 2561 East Elm Avenue in Salt Lake City. She grew up around the corner and was present to speak in support of Rebecca Williams and others who live nearby who have experienced problems. She is a Certified Planner and for the past several years she was in the neighborhood frequently looking after her mother. She commented that this is not a new request and the Walkers have been running the business for over 1 ½ years. This application was prompted by a phone call to the City's Code Enforcement Officer. Ms. Williams is the most adversely affected by the use. There is light trespass onto her property and there are no curtains or window coverings to shield the view. There are numerous cars parked on the street and the situation has gotten worse. Ms. Jerome stated that she frequently sees a large number of guests sitting in the living room clearly visible as she drives east on 3900 South.

Ms. Jerome stated that there has been a pattern of the Walkers showing that they are not willing or able to control the intensity of the use in this location. They have several options including renting out Unit B as a long-term rental or living in Unit B and using Unit A as an Airbnb. This would be less disruptive for the adjoining property owner. She hoped the Walkers would work with the neighbors impose restrictions and reduce the impact.

Frances Nielsen reported that she lives at the end of the block on the west side of Feramorz. She commented that renting is always risky. For the past few years she has observed a neighbor who

rented out his basement as well as a mother-in-law apartment as an Airbnb and there have been problems. She commented that another home near her is also now being rented.

Roger Dean gave his address as 3956 Feramorz Drive and asked if approved, whether the conditional use will remain with the property or issued specifically to the Walkers. He also asked if both sides of the duplex can be rented out. Mr. Teerlink stated that the conditional use does not run with the property, is tied to a business license, and is subject to inspections. The current request is only to rent out one side of the duplex. Mr. Teerlink reported that one requirement is that a short-term rental cannot contain more than four bedrooms.

Melanie Jackson gave her address as 4001 South Oliver Drive and appreciated the Walker's enterprising attitude. She pulled up the Airbnb listing for the subject property and stated that currently it is listed as being able to accommodate 12 guests with six beds, four bedrooms, and 3.5 bathrooms. Ms. Jackson liked the fact that the Walkers are making the effort to resolve the concerns of the neighbors.

Commissioner Lloyd asked about the City restrictions on on-street parking. Mr. Teerlink stated that one of the very specific criteria is that they cannot use the street for parking for any reason. All parking must be contained on site.

Kent Jackson gave his address 4001 South Oliver Drive and asked about parking restrictions in the City as a whole and how it effects guests who visit his home. Mr. Teerlink stated that a short-term rental differs from a residential use and is more retail or commercial in nature. As a result, the Council determined it to be critical that parking be provided off-street. Retail uses have a similar requirement and the street is not available for customer parking. The same restriction does not apply to a single-family residence.

Mrs. Walker indicated that they have enough off-street parking for three vehicles. Before guests check into the home they are informed that there is to be no on-street parking. She also has been monitoring the situation.

Chair Mackin reported that short-term rentals, although permitted, must be proven to be compatible with neighborhood characteristics on an ongoing basis. The catalyst is the conditional use approval process. The Planning Commission is authorized to approve conditional use permits. Denial should only occur if the anticipated detrimental effects cannot be substantially mitigated by the imposition of reasonable conditions. The issues identified were parking, the number of people in the home, light, and security. Chair Mackin commented that it appears to be a neighborhood issue and several in the area have been impacted by this short-term rental. She suggested that the Walkers work with their neighbors to reach a workable agreement so that everyone feels better about the application.

Mr. Walker stated that they have tried to reach out to their neighbors. His wife spoke with Ms. Williams and committed to no longer shoot commercials in the home because it is disruptive. Ms. Williams informed his wife at that time that she did not object to the use as long as they do not shoot commercials. He thought they had reached an agreement and understanding with their neighbors. Chair Mackin stated that it would be an awkward conversation for the neighbors to have with the Walkers.

Ms. Williams reported that she submitted the complaint to the City, which prompted the Walkers to approach her. The issues were brought to the attention of the Walkers so they should not be surprised by the comments made tonight. Ms. Williams thought it should have been very apparent to the Walkers that the activity taking place on the property is very disruptive. She indicated that they did not reach an agreement and she told the Walkers that she would tolerate the short-term rental, although she was not happy about it, but absolutely no commercials. Thinking back, she did not understand why she should have to put up with a business next door. She expressed that to Mrs. Walker and told her that she feels like she lives next door to a business. Mrs. Walker's response was "you do". Ms. Williams commented that even though the property is zoned multi-use, it is still residential and she no longer feels like she lives in a residential neighborhood. Ms. Williams stated that she likes the Walkers but does not feel like the situation is improving by addressing it with them as a neighbor. She hoped to be able to work with them.

There were no further public comments. The public hearing was closed.

Chair Mackin stated that any restrictions imposed must be adhered to. The expectation was that they will be followed going forward. If they are not, the matter will be brought back to the City and the conditional use can be revoked. With regard to parking, she stated that all parking for unit B must be contained on the property at all times. She stressed that that does not mean that Unit A gives Unit B their parking and then parks on the street. With regard to noise, Mr. Teerlink stated that the absolute restriction is not negotiable and pertains to outdoor pools or hot tubs. That could also pertain to a noise complaint between the hours of 10:00 p.m. and 8:00 a.m. Chair Mackin wanted to ensure that the noise standards that would normally be applied to swimming pools and various other outdoor uses be applied to the entire unit because it is now a commercial operation.

Mr. Teerlink indicated that the lighting concerns may require a specific inspection from staff. It was reported that the Technical Review Committee (TRC) looks at the issues with staff and makes recommendations to provide broader insight. The TRC indicated that since many items are still in question, it was recommended that the item be continued until the applicant has had a chance to respond unless the Commission finds that the applicant can meet the criteria to the satisfaction of the Commission. The recommended findings and conditions were reviewed. The City has defined the short-term rental as an appropriate activity in the zone with certain conditions being met.

Chair Mackin remarked that the options available to the Commission was to impose conditions or see if the neighbors and the applicants can reach an agreement to endeavor to mitigate all of the anticipated detrimental effects of the proposed conditional use permit. She suggested the situation be resolved with the neighbors before issuing the conditional use permit with very specific conditions.

Commissioner Holbrook asked the Walkers what percentage of their guests are using the unit to its full capacity. Mr. Walker stated that so far this year there had been two. The average number of guests per stay was 6.75. Being forced to reduce the number of guests would negatively impact them from a financial standpoint since they make more money if the group is larger. He

felt that the number of guests was irrelevant if they are not parking on the street and keeping the noise down. They could qualify guests by letting them know ahead of time that they only have three parking spots. He felt this would mitigate many of the negative effects.

Commissioner Lloyd moved to recommend approval of the Conditional Use Permit subject to the following:

Findings:

- 1. The property is located in the R-2 zone having lot frontage on 3900 South.*
- 2. The applicant and site has been proven to meet short-term rental standards per 13.76.735.*

Conditions:

- 1. Only Unit B of the property is allowed for short-term rental.*
- 2. All security lighting shall be night-sky complaint, full-hood style cutoff fixtures to mitigate light overflow for neighbors.*
- 3. Property and site inspection may be required to verify standards listed herein.*
- 4. A posting of the conditional use permit number and regulations relating to off-street parking, noise limits and emergency contact phone numbers, including the property owner, shall be prominently placed in a common within the premises.*
- 5. Obtain a Holladay business license.*
- 6. Conditions or complaints found to be in violation of set standards will require re-review by the Planning Commission or possible revocation of this permit as determined by the Community Development Director.*
- 7. The south-facing windows shall have internal window treatments for privacy and used regularly.*

Commissioner Layton proposed an amendment to the motion to include clarification to finding number one that there is no frontage on 3900 South as reflected by the property address. The side yard fronts 3900 South and is part of the R-2-10 zone which allows for the use.

Mr. Teerlink commented that most properties do not front 3900 South. It was determined by the Council some time ago that they have frontage on the arterial streets that would be compliant for that type of use.

Commissioner Layton seconded the amended motion. Vote on motion: Troy Holbrook-Aye, Alyssa Lloyd-Aye, Ann Mackin-Aye, Chris Layton-Aye. The motion passed unanimously.

Chair Mackin clarified the sixth condition and explained that if the neighbors experience detrimental effects of the use in the neighborhood, they should call the City. The Walkers should make sure to abide by the letter of the law in terms of the conditions set forth. Mr. Teerlink stated that he would add to condition number six, “as per the purpose statement for short-term rentals”. He explained that they are allowed but they need to be compatible with the neighborhood character. He reported that the ordinance has not been revised since 1999 and pertained more to condos. He recommended the ordinance be updated to address current needs.

3. Approval of Minutes – 9/19/17.

Approval of the minutes was deferred to a future meeting.

DISCUSSION ITEMS

4. Tree Canopy Protection Ordinance, Amendment.

ADJOURN

Commissioner Lloyd moved to adjourn. Commissioner Layton seconded the motion. The motion passed with the unanimous consent of the Commission.

The Planning Commission Meeting adjourned at 8:28 p.m.

I hereby certify that the foregoing represents a true, accurate and complete record of the City of Holladay Planning Commission Meeting held Tuesday, November 6, 2017.



Teri Forbes
T Forbes Group
Minutes Secretary

Minutes approved: **January 8 , 2018**