



City of Columbia, Missouri

Meeting Minutes

Planning and Zoning Commission

Thursday, October 22, 2020
5:30 PM

Work Session

Conference Room 1-B
Columbia City Hall
701 E. Broadway

I. CALL TO ORDER

Present: 9 - Tootie Burns, Sara Loe, Joy Rushing, Lee Russell, Anthony Stanton, Brian Toohey, Michael MacMann, Valerie Carroll and Sharon Geuea Jones

II. INTRODUCTIONS

III. APPROVAL OF AGENDA

Meeting Agenda adopted as presented unanimously.

Adopt agenda as presented

IV. APPROVAL OF MINUTES

October 8, 2020 Work Session

October 8, 2020 work session minutes were discussed and revised for clarity relating to the Commission vote on amendment #2. Minutes were adopted as amended unanimously.

Adopt October 8, 2020 minutes as amended

V. OLD BUSINESS

A. Short-term Rental - Commissioner Comment Clarifications

Mr. Zenner introduced the topic. He said at the last meeting the Commission had gotten through the first part of their STR review where they looked at the amendments proposed by Council. Tonight he hoped they would be able to discuss their general comments and concerns with the ordinance and provide alternatives for the Council to consider if they so desired. He was aware there was a lot of issues of contention for the Commissioners and it had been challenging to come to consensus on the proposed legislation. He hoped that identifying their bigger issues and then looking at specific language would be helpful to the Commissioners and the Council moving forward.

Ms. Loe described her notes from the February 7, 2019 work session and desired to discuss what she saw as fundamental questions framing the issues and the ordinance. She said the first question was should there be any STRs in residential zoning districts at all whether owner hosted or not hosted. She said at that time the vote was that while they may want conditions, 7 commissioners supported STRs in residential districts, and 1 had not. For non-owner hosted 4 had support for STRs in residential districts, 3 only with certain conditions, and 2 said no non-owner hosted at all. She would like to revisit these questions.

Ms. Loe asked if they should further vote on if STRs should be hosted in residential districts and if they may be un-hosted in non-residential district. Ms. Rushing described her overall, big picture concerns. She said that un-hosted goes beyond the traditional business model for AirB&Bs that was someone renting out a room in their home. They had heard of so many expansive business practices, she was fine with the traditional model of someone using their own home, their primary residence, in the R-1 and R-2 districts. It was the other business models, across the street, in a multi-family structure, that was an entirely different business model altogether and she thought trying to have one ordinance that addressed every type of scenario had become a fractured way to approach the issue. It was asking too much of the ordinance. She thought there needed to be a separate ordinance that dealt with a person renting out a room or their ADU versus someone who has a business renting out STRs. There needed to be a process scaled to the size of the business. She said businesses could expect more of a process in terms of conditions, permits, etc. but that there should be less process for the operators of the more traditional model she had described.

Ms. Loe said she believed asking these fundamental questions would allow a litmus test to divide and conquer the issues to see where the Commissioners disagreed and agreed on the fundamental considerations at hand. She hoped that some of the extra issues could fall away if they could come to consensus on the big picture elements.

Mr. Zenner said that while he agreed the business model had expanded over time and in the environment of the City, this was the set of regulations they had been asked to address and it did address the variety of business models. He said they had investors which had already purchased properties to use in the business model, which is why they'd been asked to address it. Splitting up the ordinance to address half the model avoids half the problem.

Ms. Rushing asked for a quicker, more streamlined process for the operators working on their own and a different process for investors and more commercial types.

There was discussion of the concerns and interrelatedness with the ability to use the existing rental conservation codes to regulate some aspects of STRs. What was zoning versus administration was discussed, and what might be legally defensible moving forward with considerations being taken up by courts. Ms. Geuea Jones discussed legal concerns with different treatment. Mr. Toohey discussed the movement of the issue to federal courts. He had concerns with anti-trust considerations if regulations were created treating two properties differently.

Ms. Burns said they should follow the zoning code for occupancy so that STRs were not treated differently than regular rentals. She did not support allowing a certain amount of persons per bedrooms and other such calculations. She stated it was her belief that STRs would result in commercial operations in neighborhoods and she did not support that in residential districts.

Ms. Loe asked for an updated vote on how the Commissioners would or would not support hosted vs. un-hosted in residential zones. 8 commissioners voted yes, they might support hosted STRs in residential districts (perhaps with conditions), and 1 wanted it tied to zoning-related occupancy but has philosophical disagreement with STRs being permitted in residential districts at all.

Ms. Loe asked for an updated vote on permitted un-hosted STRs in residential districts. 5 voted no, they were against it, and 3 said they might with some Commissioners noting this support may be predicated on conditions, regulations scaled to a business scale if not owner occupied, and/or potentially a CUP process.

Ms. Loe stated that she desired to gain additional perspective from Commissioners as to their interest in allowing un-hosted STRs in four mixed-use districts (M-N, M-OF, M-DT, and M-C). She said the under what specific base conditions could be discussed as the second part of her inquiry. After some discussion, 6 Commissioners said they could potentially support un-hosted STRs in the mixed-use zones with conditions and 2 said no.

Ms. Burns said she'd like to see a simple ordinance which addressed the areas of consensus and then add in incremental regulations to address specific issues or practices later after experience.

Mr. MacMann said they needed to be concerned about running into "takings" considerations if something is allowed at first and then restricted later after experience. There was discussion of issues that had arisen in New Orleans in this regard.

Ms. Burns said her point was to have very limited situations in which STRs were allowed, so that the legislation would perhaps allow opportunities to be less restrictive later.

Mr. Teddy said this stance could be reported to the Council as an alternative or an additional commentary on the legislation that had been prepared and that they were responding to at this point.

Mr. Zenner said Council may choose to refer the ordinances back in part or whole to the Commission, and they may or may not want to start from scratch. He said they needed to be aware there were community issues underway now that were not being addressed without any regulations.

There was discussion on eliminating red tape but also desiring an even playing field. There was discussion on how the existing rental conservation code would apply to investor properties. There was a known need to have equal requirements for registration, inspection, etc. in this regard.

There was discussion with Ms. Schneider of the Convention and Visitor's Bureau about taxing STRs. Ms. Schneider said the hotel tax could take into account single

room rentals as well as whole home rentals. The taxing part would come next but staff had to wait for the Commission to get through this process and the Council to decide some fundamental regulations before the taxing model could be aligned any STR regulations.

There was discussion amongst the Commission on how large of an operation should be subject to the hotel tax. The idea had been to level the playing field on lodging providers who all benefit from the promotional programs associated with the tax. Some Commissioners did not support the tax applied to the STR host renting out a room under the traditional AirBnB model they had discussed.

There was a desire to vote on a suggestion that the Council charge the Commission with separating out owner hosted one unit STRs, i.e. operators renting out space in their primary home. There was discussion on how to define the primary home via tax code and other means, but that discussion and related details could be further taken up later as part of future discussions. 8 were in favor of preparing this version of regulations first, with 1 Commissioner dissenting because he disagreed that it was possible to separate out one scenario of operation versus all the other more complicated considerations and operations that were not easily un-married from the discussion.

Mr. Zenner said the Commission could offer their services to look at a set of ordinances framed in this way. He also asked the Commissioners to consider aligning the regulations with what they see are actual problems which have emerged. Define where the problems are and then work to address them. But he cautioned that it would be challenging as one Commissioner had indicated to split the issue and there would be potential issues with fairness and taxation.

Mr. Stanton said there were three very important issues here, accountability, enforcement and taxation. He wanted to see how they could focus into two clusters of regulations based upon business models. He said to treat businesses like a business, they can have more red tape because they have business interests and benefits.

Mr. MacMann said that if they address the easy set of regulations first, they need to write it carefully so that there was a framework that could then be expanded.

There was additional discussion of how to tax and at what level there should be a tax. There was further discussion regarding the definition of a transient guest and at what point an operation goes from being a home to a hotel as well as how to take into account hospitality- related services in addition to sleeping accommodations and impacts.

Commissioner further discussed the need to consider safety-related issues such as which Building Code, commercial or residential, a structure was built under when considering how to apply STR regulations. The Commission acknowledge that the regulations would need to be aligned and informed by these other considerations but that the Commission's role was first and foremost to provide land use

recommendations to the Council.

Mr. Zenner thanked the Commission's for their comments and noted they would be provided to Council for their consideration. He noted it was unclear what would happen with the STR ordinance following the December 7 Council meeting, but would keep the Commission informed.

VI. NEXT MEETING DATE - November 5, 2020 @ 5:30 pm (tentative)

VII. ADJOURNMENT

Meeting adjourned approximately 6:58 pm

Move to adjourn