

**North Powder City Council
Public Hearing
September 7, 2022
6 PM City Hall (340 E Street)**

Attendance: Mayor John Frieboes, Councilors Vicki Townsend, Joyce Lawyer, Justin Wright, Jeff Grende
City Recorder Beth Wendt

Others: Nicholas Schwartz, Tasheena Zickgrat, Shorty Schwehr, Maryanne Ritches, Barbara Weeks,
Lynne Martin, Barry Princevalle, Jeff Nielsen, Wynn Nielsen

Mayor John Frieboes called the meeting to order. There was no old or administrative business needing to be addressed.

Mayor Frieboes opened the Public Hearing and asked the council if there was any ex parte contact. There was none.

Beth gave a Staff Report. The applicant has submitted a request for a Conditional Use Permit for a 2 unit Air BNB with the possibility of adding RV spaces. The property in question is known as the A.B. Hudleson Building located at 200 E Street in the Commercial Zone on lots 4101 and 4102. It is one of 8 sites identified as historical in North Powder's Land Use Plan and the only one registered with the State as a historical building. The City has a permanent easement for drainage facilities that crosses both taxes lots. The easement is approximately 40" wide and extends from 2nd Street to the alley between 2nd and 3rd Streets. There appears to be sewer access to the building but water service would need to be added with a connection in the alley and extended across the property to the building. There is an access to the property from 2nd Street at the back of the building. The building is located on lot 4102 but lot 4101 is vacant. The proposed use may be considered for a Conditional Use provided criteria in North Powder's Zoning Ordinance #1983-3 Sections III, VIII, X, and XIV can be met. Additional conditions may be attached to the Conditional Use Permit if the City council feels they are necessary for the safety and well-being of the citizens. The subject property is located in the Downtown Design Overlay Zone where an additional layer of development standards apply. Use of the 2nd Street access to the property must be approved by ODOT, but an access can be established from the alley between 2nd & 3rd streets for a minimum of 1 off- street parking space per unit. Long term goals include RV pads. Minimum space requirements and setbacks are identified in Section 10.04.3C of the Zoning Ordinance. However, Section 14.03.01 prohibits automobile oriented uses in the Downtown Design Overlay District. The drainage easement across the property must be accessible in an emergency.

Nicholas Schwartz was asked to present the application to the City Council. Nicholas stated that the proposed Air BNB would consist of 2 suites. One would have access from the front and the other from the back of the building. They are restoring a "cool building" with a lot of history. It is in a unique location as it is close to Baker, La Grande, Union and Anthony Lakes which kind of makes it a gateway to Eastern Oregon.

Mayor Frieboes asked for testimony in support. Jeff Nielsen noted that it would be nice to see more businesses succeed in town. He fully supported the application.

Barbara Weeks wondered if the applicant would live in town. Nicholas noted that he lives in Baker.

Barbara thought it was a good idea and would be a great asset to the City but she wondered how he knew to go ahead and start work on the building. John clarified that he didn't. When he went to City Hall to apply for a building permit, he was told that he would need a Conditional Use Permit first.

Barbara thought it strange that he would go ahead with work without the proper approval and permits. John added that it was his choice to take that chance, but it was not decided beforehand. Vicki thought it was amazing what is being done. She was not sure about allowing RVs. She asked about tiny homes.

Nicholas said that could be possible. Justin commented that RV's are generally people passing through. Nicholas added that it would be short term stays. Joyce wondered if this Conditional Use Permit application was for just the Air BNB or for RV parking as well. Nicholas clarified that it is just for the Air BNB. Maryanne Ritches added her support for the application. Beth read a letter submitted by Nanci Klein, also in support of the Air BNB. Joyce was concerned about parking. She wondered if one space per unit would be sufficient. Nicholas thought yes. They intend to provide 2 parking spaces next to the building on a pad. The existing pad will need to be enlarged. Ideally, they would access from 2nd Street but there is an option of using the alley. Joyce wondered if the drainage ditch surprised them. Nicholas said it did a bit, but the parking area is off the drainage area. Joyce suggested they allow more than 2 spaces per unit because parking on the street could be a problem. John agreed that they can't stay parked in the same spot for days at a time. Beth read a letter from ODOT. A permit is required if they plan to use the 2nd Street access. Permission would be needed from the City to construct a driveway over the drainage easement. Beth added that the Council would need to grant that permission and with that, it should be understood that should the City need to access the easement, the City would not be responsible to restore anything other than to backfill. Vicki wanted to know the difference between a regular BNB and an Air BNB. Tasheena noted that an Air BNB is self-regulated, guests do their own thing. A regular BNB will have staff on site to provide services. Vicki asked how guests were screened. Tasheena explained that an Air BNB is a short-term rental company. Each has their own vetting and review system for guests. Insurance is covered. Jeff G. wondered how they find guests. Tasheena said they do a lot on-line with things like Bookings.com. Vicki wondered about signage. Nicholas thought they wouldn't have anything.

Jeff G. wondered why other BNB and rental type properties don't have Conditional Use Permits. One of them is his. He wondered what is the step forward to making the all consistent. Beth noted that at the time Jeff started his business, she wasn't aware that a Conditional Use Permit was needed. As far as the other place he was talking about, it was there before she started working for the City. She recommended that Jeff be sure his place was in compliance. Jeff G. reiterated that he didn't understand why this property was required to have a Conditional Use Permit and others were not. Beth noted that the Downtown Overlay Zone was added to the zoning ordinance at a later date. Jeff G. commented that at Air BNB usually rents for a month or more at a time. Beth felt that could be looked into but it should be a discussion for another time. Joyce wondered if Jeff was referring to the hotel. She thought those were more like apartments. Barbara interjected that was different than a BNB.

Mayor Frieboes asked for testimony in opposition. There was none.

Joyce was concerned that with Fresh Alliance on Thursdays, there could be a problem with parking on E Street. Nicholas agreed they may want to think about more off-street parking. Nicholas was given the opportunity for rebuttal. He had none. Beth interjected that there was one more written comment to read into the record. Linda Dixon thought it would be a great addition to the town as long as it is an Air BNB and not turned into a permanent rental, like Jeff Grende has done. She hoped the BNB would encourage tourism. She also wondered why the trailer park is renting permanent spaces. It leaves no place for visitors to park when they come to town.

The meeting was closed to public testimony and the Council was given the opportunity to discuss the application. Jeff G. thought it was a great idea. Justin agreed. Joyce wondered if there would be any windows. Nicholas commented that there are already 3 in front and 1 in back. There will also be a window in the door. Jeff Nielsen interjected that as it is a historical building, the outside could not be altered. Mayor Frieboes asked if they had a building permit yet. Nicholas said they had one from the City of La Grande. John added that they need to get building clearance from the City. Jeff G. wondered what kind of permits were needed. Nicholas said they would be basic plumbing and electrical.

Justin wondered how many other BNBs they have. Tasheena said so far they have 4. They get guests from all walks of life.

Mayor Frieboes asked if the Council was ready to make a decision. Jeff G. wondered about the requirement to have off-street parking. Beth noted that is a requirement for a hotel/motel have at least one off-street parking space per unit. Vicki moved to approve a Conditional Use Permit to Nicholas Schwartz and Mark Jackson for an Air BNB at 200 E Street on the bases that the criteria identified in Ordinance #1983-3 have been met regarding the Conditional Use and the Conditional Use Approval process. The following conditions shall apply to the permit:

1. The Conditional Use Permit shall be issued to Nicholas Schwartz and Mark Jackson for the period beginning no later than 5 business days following this decision and shall continue for as long as the business is active as approved by this decision.
2. Any alterations, changes, or expansions made to the approved Use shall require approval and will be determined by the City Council following conditional use hearing procedures.
3. The applicants shall maintain a valid City Business License and shall be responsible for obtaining any other permits or licensing for an Air BNB as required by State law.
4. Off-street parking shall be provided at a minimum of 1 space per unit.
5. No RV parking shall be allowed on the property.
6. Units shall be rented on a temporary/short term basis only.
7. The Storm Drain easement shall be accessible to the City as needed and the City shall not be responsible to restore any pavement or landscaping beyond backfill from excavation.

Joyce seconded the motion. Motion carried unanimously.

Beth noted that a notice of decision will be sent out within 5 working days and a Conditional Use Permit will be prepared for signatures. She explained that a Conditional Use Permit doesn't expire as long as there are no changes to the business and it remains under the same ownership. If the business is sold or changes are made, it will require a new permitting process.

Meeting adjourned at 6:35PM

Respectfully submitted,

Attest:

Beth Wendt
City Recorder