



City and Borough of Sitka

100 Lincoln Street • Sitka, Alaska 99835

Coast Guard City, USA

Planning and Community Development Department

AGENDA ITEM:

Case No: CUP 18-14
Proposal: Request for Short term rental in a duplex
Applicant: Timothy W. Riley
Owner: Timothy W. Riley
Location: 409 Halibut Point Road
Legal: Lot 19, Block 24, Tract A, Tower Heights, US Survey 1474
Zone: R-2
Size: Approx. 7,427 square feet
Parcel ID: 13480000
Existing Use: Residential
Adjacent Use: Residential/Commercial/Recreational
Utilities: Existing
Access: Halibut Point Road

KEY POINTS AND CONCERNS:

- Short-term rentals have an impact on reducing supply of long-term rentals and also have been shown to increase price of housing for buyers and renters (which helps owners and sellers)
- Code requires 4 parking spaces for a duplex (2 per unit)
- Code requires all parking spaces for residential family use to be provided on-site, not off-site
- Property is located next to a very busy section of Halibut Point Road
- Parking arrangement in regards to traffic ingress and egress is not ideal and could create negative safety impacts to vehicles and pedestrians
- Property is already subject to other variances
- Property has topography and was subdivided in a manner that makes development of parking and any structure difficult
- Associated with variance V 18-08 (parking variance)

RECOMMENDATION:

Staff recommend approval subject to conditions of approval to address impacts to housing market and also to parking, access, and safety.

ATTACHMENTS

Attachment A: Applicant Materials

Attachment B: Staff Materials

BACKGROUND/PROJECT DESCRIPTION

The applicant is proposing converting one of the units of a long standing, existing duplex, with one on-site parking space and one off-site parking space, to a short-term rental (STR). Currently, the duplex is utilized to house family on one side and has been rented as a long-term rental (LTR) on the other side. The lot and parking are substandard compared to existing code. However, this property was developed long before existing code and it is not certain what code requirements were in place at the time of development.

Applicant is also requesting a variance from parking standards. And has an existing variance for the deck to be setback 8 feet from front property line (V 96-9). There is another variance 88-13, but that is unclear what the details of that are.

ANALYSIS

1. CRITERIA TO BE USED IN DETERMINING THE IMPACT OF CONDITIONAL USES.¹

a. Amount of vehicular traffic to be generated and impacts of the traffic on nearby land uses: STRs tend to have lower vehicle demands, especially near central downtown. Staff suggest conditions of approval that would mitigate traffic demands through required rental contract terms that do not allow car rentals or renters to have motor vehicles. Instead, the owner could provide bike racks, bicycles, taxi or shuttle service, or other arrangement to negate additional motor vehicle use on-site.

b. Amount of noise to be generated and its impacts on surrounding land use: Short-term renters may create noise. The owner occupies one side of the duplex, which would allow a greater level of oversight, as well as having a professional property management company with extensive experience.

c. Odors to be generated by the use and their impacts: Owner's family member is on-site to ensure that garbage is managed in accordance with Sitka General Code.

d. Hours of operation: Year-round.

e. Location along a major or collector street: Access from Halibut Point Road.

¹ § 22.24.010.E

f. Potential for users or clients to access the site through residential areas or substandard street creating a cut through traffic scenario: Topography and access limit cut-through potential.

g. Effects on vehicular and pedestrian safety: Due to limited parking on-site, orientation of on-site and off-site parking arrangements and access (including the back-up egress), and vicinity of sidewalk and high-traffic area, there is a distinct potential for negative impacts of a STR with vehicles to vehicular and pedestrian safety. However, as conditioned, additional room will be provided by the adjacent property for parking and/or parking egress/ingress and this will mitigate those impacts.

h. Ability of the police, fire, and EMS personnel to respond to emergency calls on the site: Location is very close to police and fire (less than 800 feet) and hospitals within a half-mile and mile.

i. Logic of the internal traffic layout: 4 spaces are required on site. 1 is provided on site in compliance with code, though it may create back-out problems. 1 is provided off-site, but it may create back-out problems. And 2 required spaces are not provided. As conditioned, parking and/or parking ingress and egress, would mitigate impacts to adjacent properties and pedestrians and vehicles.

j. Effects of signage on nearby uses: None proposed. Any signage must comply with Sitka General Code requirements.

k. Presence of existing or proposed buffers on the site or immediately adjacent the site: Topography and vegetation provided a decent buffer.

l. Relationship if the proposed conditional use is in a specific location to the goals, policies, and objectives of the comprehensive plan: Comp Plan 2030 identifies this area as a key area to develop light commercial uses that are best located centrally to downtown. This corridor is a mix of residential and light commercial/professional office.

m. Other criteria that surface through public comments or planning commission review: Short-term rentals may cause the increase of long-term rental rates. In this case, one unit is being occupied long-term by the owner's family member, and the other would be taken off the long-term market during the use of the short-term rental. This can create a negative impact to affordable housing.

Note: There is a counter-argument that a short-term rental would raise property values for home owners and sellers, which is a positive impact; however, conversely, this would make homes more expensive for buyers. There is also a counter-argument that STR would reduce parking demand as compared to a LTR.

RECOMMENDATION

It is recommended that the Planning Commission approve the conditional use permit application for a short-term rental at 409 Halibut Point Road subject to the attached conditions of approval.

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Options for Motions:

- 1) I move to **approve** the conditional use permit request for a short-term rental at 409 Halibut Point Road in the R-2 multifamily residential district subject to the attached conditions of approval. The property is also known as Lot 19 Tower Heights Subdivision. The request is filed by Tim Riley. The owner of record is Timothy Riley.

Conditions of Approval:

1. Contingent upon a completed satisfactory life safety inspection.
2. The facility shall be operated consistent with the application, narrative, and plans that were submitted with the request, and as amended by the conditions of approval.
3. Further, pertaining only to the STR, the rental contract shall not allow rental cars or owner shall provide transportation for renters such as taxi service or for-hire shuttle service, or shall provide bikes for renters use.
4. The applicant shall submit an annual report every year, covering the information on the form prepared by the Municipality, summarizing the number of nights the facility has been rented over the twelve month period starting with the date the facility has begun operation, bed tax remitted, any violations, concerns, and solutions implemented. The report is due within thirty days following the end of the reporting period.
5. The Planning Commission, at its discretion, may schedule a public hearing at any time for the purpose of resolving issues with the request and mitigating adverse impacts on nearby properties upon receipt of meritorious complaint or evidence of violation of conditions of approval.
5. Failure to comply with all applicable tax laws, including but not limited to remittance of all sales and bed tax, shall be grounds for revocation of the conditional use permit.
6. The property owner shall register for a sales account prior to the Conditional Use Permit becoming valid.
7. To mitigate against the risk and impact of bears, the property owner shall assure all trash is deposited in trash receptacles that are stored in bear proof areas (whether enclosed garage or other bear proof area) and only placed on street for collection after 4 AM on trash collection day. Should this condition not be followed the CUP shall be revoked.

8. To mitigate against parking and traffic impacts, property owner shall provide detailed parking and traffic rules, and shall ensure all parking for all uses (residential or short-term rental) shall occur off-street, on-site, and further that should on-street parking occur at any time, the conditional use permit shall be revoked.

9. Any signs must comply with Sitka General Code 22.20.090.

10. A detailed rental overview shall be provided to renters detailing directions to the unit, appropriate access, parking, trash management, noise control, and a general admonition to respect the surrounding residential neighborhood.

12. The property owner shall communicate to renters that a violation of these conditions of approval will be grounds for eviction of the renters.

13. Failure to comply with any of the above conditions may result in revocation of the conditional use permit.

14. The applicant shall comply with all local, state, and federal laws regarding nondiscrimination.

15. That either an easement, permit, or license to use for parking and/or parking egress and ingress be granted by the adjacent property commonly known as 409 Halibut Point Road (Parcel ID 13475000). This license, easement, or permit, shall continue as long as the variance is needed or the property is used as a conditional use (short-term rental or other conditional use). Should the ability to use the adjacent property for such parking or parking egress/ingress be extinguished, the variance shall be come void and any conditional use shall become void.

16. Special care shall be taken in ingress and egress across the Halibut Point Road right of way so as to minimize any impacts to vehicles and pedestrians.

17. The burden of following, keeping track of, and executing these conditions of approval is upon the owner (e.g. annual report, business registration, sales tax account, remittance of bed tax, life and safety inspection, etc..).

2) I move to adopt the findings as found in the staff report: ²

1. ...The granting of the proposed conditional use permit will not:

a. Be detrimental to the public health, safety, and general welfare *specifically, that the conditions of approval mitigate impacts to adjacent properties and vehicle and pedestrians by providing for alternative and improved parking and parking ingress and egress*

b. Adversely affect the established character of the surrounding vicinity *specifically, that the area is a mix of light commercial and professional office and adjacent to a*

² § 22.30.160.C – Required Findings for Conditional Use Permits

major corridor that a mixed use of residential and light commercial (STR) is an appropriate and compatible use as identified in the Comp Plan 2030

; nor

c. Be injurious to the uses, property, or improvements adjacent to, and in the vicinity of, the site upon which the proposed use is to be located, *specifically, that the proposed use will support central downtown development and mitigate impacts via the conditions of approval related to parking and ingress/egress.*

2. The granting of the proposed conditional use permit is consistent and compatible with the intent of the goals, objectives, and policies of the comprehensive plan and any implementing regulation, *specifically, that the conditions of approval will mitigate impact, while the variance will allow the owner to develop their property which will have positive economic impacts in job creation and supporting tourism and transient markets. Some impact to long-term rentals and affordable housing may occur, but that is balanced against other positive gains.*

3. All conditions necessary to lessen any impacts of the proposed use are conditions that can be monitored and enforced, *specifically that the owner lives on-site and can monitor for infractions and take action as warranted and also have a property manager.* ⁺