



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 18-03
Proposal: Request to amend conditional use permit (CUP) for short-term rentals at 106 Finn Alley
Applicant: Brendan Jones and Rachel Jones
Owner: Brendan Jones and Rachel DiNardo
Location: 106 Finn Alley
Legal: Tract of Land in Lot 20 Block 30 US Survey 1474
Zone: R-1 single-family and duplex residential district
Size: 9702 square feet
Parcel ID: 1-1525-000
Existing Use: Residential – duplex/triplex
Adjacent Use: Residential
Utilities: Existing
Access: Lincoln Street to Barlow Street to Finn Alley

KEY POINTS AND CONCERNS:

Summary of request: existing permit required owner occupation of third unit as a condition of approval (COA). Amendment seeks to allow 2 units, A&C, to be short-term rentals (STR) while opening unit B, which is currently owner-occupied, to be converted to long-term rental (LTR) without owner occupation. This could remove a level of on-site oversight. Some neighbors have concerns.

- Possible impacts to neighborhood e.g. noise, trash, etc.
- One-way traffic and narrow roads may be confusing for visitors
 - Walkable neighborhood, many renters may forego cars
 - Sufficient parking exists onsite
- Existing triplex is nonconforming use in R-1 neighborhood
- Proposal removes two long-term rental units from the market, possibly impacting long-term rental rates for the community
- Owners live on-site and can monitor for concerns
- Burden is on the applicant to prove that any impacts can be mitigated
- NEW COAs to address traffic impacts by limiting vehicles and providing bikes, and temporary suspension of owner occupation with its return in May 2020.

RECOMMENDATION:

Staff recommends that the Planning Commission approve the amendment to the owner occupation condition of approval but subject to additional conditions regarding restricting vehicular use of STR, providing bicycles, and re-initiating the owner-occupation of the third unit in May 2020.

ATTACHMENTS

Attachment A: Applicant Materials

Attachment B: Staff Materials

BACKGROUND/PROJECT DESCRIPTION

The request is to amend a conditional use permit for a two-unit short-term rental in a three-unit residential structure at 106 Finn Alley. One of the key conditions was for the third unit, Unit B, to remain owner occupied. The owners will be moving and seek to use this third unit as a LTR and still rent out the other two units as STRs. Records show that the triplex was built in 1936. The structure and use as a triplex is nonconforming in the R-1 zone.

The owner's unit is approximately central on the structure, with one rental unit on either side. Each rental unit consists of one bedroom and one bath. The three units are connected internally through the basement and hallways. Each unit has separate entryways. The property provides the six required parking spaces.

Applicants have provided a renter orientation guide including information on access to the property, a discussion on locking doors, parking, transportation options, laundry, garbage management, emergency contacts, and owner contacts. This should be expanded to include noise control and respecting the neighborhood. The owners can detail their proposed management of the units while they are away. Applicants have indicated they will utilize a third party rental management company.

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: Code requires two parking spaces per residential unit, resulting in six parking spaces for this property regardless of long-term tenancy or short-term rental. Tourists are less likely to rent two cars per unit, as each unit only includes one bedroom. Renters may have difficulty finding the property for the first time, but this can be mitigated by the provision of detailed rental information. Owners state that they

¹ § 22.24.010.E

may also pick up some visitors at the airport. A potential way to mitigate impacts from traffic include prohibiting vehicles for STR and providing on-site bikes for STR use.

b. Amount of noise to be generated and its impacts on surrounding land use: No noise anticipated beyond typical residential noise. Recommended conditions of approval include rental overview and monitoring and enforcing quiet hours.

c. Odors to be generated by the use and their impacts: No odors anticipated beyond typical residential use. Such odors could include those related to cooking and scheduled trash disposal. According to the application, renters will be directed to leave trash in the unit, reducing concerns for odors and bears.

d. Hours of operation: 24-hour, year-round operations. Summer will likely be booked by tourists with some availability during the other three seasons to house friends and family.

e. Location along a major or collector street: Lincoln Street to Barlow Street to Finn Alley. Barlow Street and Finn Alley are narrow one-lane one-way streets through a residential neighborhood.

f. Potential for users or clients to access the site through residential areas or substandard street creating a cut through traffic scenario: This is a residential property with multiple access routes. Finn Alley and Etolin Street are substandard Streets and could be easily impacted by increased traffic and travelers who are less familiar with the area.

g. Effects on vehicular and pedestrian safety: see above.

h. Ability of the police, fire, and EMS personnel to respond to emergency calls on the site: able to respond. Smaller streets can impact response times.

i. Logic of the internal traffic layout: Traffic layout will not change.

j. Effects of signage on nearby uses: Small placard signs are proposed to be installed to help renters find the correct unit. Any signs must comply with Sitka General Code 22.20.090.

k. Presence of existing or proposed buffers on the site or immediately adjacent the site: Fencing and foliage provide some buffers.

l. Relationship if the proposed conditional use is in a specific location to the goals, policies, and objectives of the comprehensive plan: The economic chapter supports providing tourism-based business and new entrepreneurial businesses to support economic growth and job creation. The housing chapter, cuts both ways, in that it recognizes that STRs may negatively impact LTR prices and housing affordability for renters and some buyers; and on the other hand, may provide affordability for some owners/buyers.

m. Other criteria that surface through public comments or planning commission review:

The removal of two long-term rental units from the market could negatively impact rental rates for long-term residents.

Bears have been known to venture into the downtown area. Garbage shall be kept indoors or in bear proof containers until four a.m. on the appointed garbage collection day. All garbage management shall comply with requirements in Sitka General Code.

FINDINGS²

1. ...The granting of the proposed conditional use permit will not:
 - a. be detrimental to the public health, safety, and general welfare *specifically, the conditions of approval will mitigate impacts regarding traffic, noise, odor, and provide limited vehicular access and a rental overview.*
 - b. adversely affect the established character of the surrounding vicinity *specifically, limits to vehicles and the return of owner-occupation in May 2020 will limit potential impacts; 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, the property is required to meet municipal requirements for utilities, garbage collection, and provision of appropriate parking, as well as life and safety inspections;*
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, promoting economic development and job creation, while minimizing impacts to adjacent uses and housing affordability;*
3. All conditions necessary to lessen any impacts of the proposed use are conditions that can be monitored and enforced, *specifically, that manager oversight and the return of owner-occupation in May 2020 will help prevent impacts to the neighborhood and adjacent properties.*

RECOMMENDATION

It is recommended that the Planning Commission adopt the staff analysis and required findings as found in the staff report and grant the requested conditional use permit subject to attached conditions of approval.

.....

Recommended Motions: (two motions - read and voted upon separately)

- 1) I move to adopt and approve the required findings for conditional use permits as discussed in the staff report.

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

- 2) I move to approve the amendment of the conditional use permit application for a two- unit short-term rental in a three-unit residential structure at 106 Finn Alley subject to the attached conditions of approval. The property is also known as a Tract of Land in Lot 20 Block 13 US Survey 1474. The request is filed by Brendan and Rachel Jones. The owners of record are Brendan Jones and Rachel DiNardo.

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.
3. 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.
4. The Planning Commission or Planning Director, 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 the risk and impact of bears from the short term rental, 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 a.m. on trash collection day. Should this condition not be followed the CUP shall be revoked.
8. To mitigate 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. The property owner shall communicate to renters that a violation of these conditions of approval will be grounds for eviction of the short-term renters.
10. Any signs must comply with Sitka General Code 22.20.090.
11. A detailed rental overview shall be provided to renters detailing appropriate access, parking, trash management, noise control, and a general admonition to respect the

surrounding residential neighborhood.

12. The property shall be owner-occupied, while the conditional use permit is active. However, this condition shall be suspended, per amendment of the permit, from August 2018 to April 2020. Beginning in May 2020, owner-occupation of at least one unit shall again be required for the permit to remain active.

13. STR shall not use more than one rental car at any single time at the rental property, and owners shall provide bicycles, on-site, for the STR occupants to use. This is to mitigate impacts to the neighborhood including traffic and pedestrian safety.

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