



Planning Commission Meeting

7PM

Public Safety Building

401 E Third St

Hybrid: Instructions To Join Electronically At www.Newbergoregon.Gov

Email Comments To: Fe.Bates@Newbergoregon.Gov

May 8, 2025

1. CALL MEETING TO ORDER

2. ROLL CALL

3. PUBLIC COMMENTS

(5-minute maximum per person - for items not on the agenda)

4. CONSENT CALENDAR

- a. [4/10/2025 Planning Commission Meeting Minutes](#)

5. LEGISLATIVE PUBLIC HEARINGS

(complete registration form to give testimony - 5-minute maximum per person except for principals, unless otherwise set by majority motion of the Planning Commission).

DCA24-0003: Updates to the City's vacation rental home policy that include changes to the Zoning Use Table classifications (NMC 15.305), Special Use Standards (NMC 15.445), and Transient Lodging Tax (NMC 3.10).

[DCA24-0003 Staff Report.pdf](#)

[DCA24-0003 Planning Commission Memo - Parking.pdf](#)

[DCA24-0003 Planning Commission Resolution 2025-399.pdf](#)

[Attachment 1. Planning Commission and Short-Term Rental Ad Hoc Committee Recommendations.pdf](#)

[Attachment 2. City Council Recommendations.pdf](#)

[Attachment 3. Community Engagement Summary.pdf](#)

[Attachment 4. Vacation Rental Home and STR White Paper.pdf](#)

6. ITEMS FROM STAFF

- a. [Anticipated Schedule of Planning Commission Activities](#)
- b. Staff Updates for Planning Commission

7. ITEMS FROM COMMISSIONERS

8. ADJOURNMENT

ACCOMMODATION OF PHYSICAL IMPAIRMENTS:

In order to accommodate persons with physical impairments, please notify the Community Development Department Office Assistant II of any special physical or language accommodations you may need as far in advance of the meeting as possible as and no later than 48 business hours prior to the meeting. To request these arrangements, please contact the Office Assistant at (503) 537-1240. For TTY services please dial 711.



Planning Commission Meeting

April 10, 2025

CALL MEETING TO ORDER

Chair Newton-Curtis called meeting to order at 7:00 p.m.

ROLL CALL

Commissioners Present:

Linda Newton-Curtis(Chair)
Layne Quinn (Vice Chair)
Jason Dale
Mathew Mansfield
Randy Rickert
Jose Villalpando
Kriss Wright

Commissioners Absent: Elise Steffen (Student)

City Council Representative:

Jeri Torgesen(Absent)

Staff Present:

Community Development Director: Scot Siegel
Assistant Planner: James Dingwall
Administrative Assistant: Fé Bates

PUBLIC COMMENTS

There were no public comments.

CONSENT CALENDAR

[2/13/2025 Planning Commission Meeting Minutes](#)

Commissioner Wright moved to approve the Planning Commission meeting minutes for February 13, 2025. Commissioner Quinn seconded the motion.

Motion: Commissioner Wright moved to approve the Planning Commission meeting minutes for February 13, 2025. Commissioner Quinn seconded.

The motion passed unanimously.

Work Session

DCA24-0003 Vacation Rental Home Policy Update

Assistant Planner, James Dingwall, initiated the session by reading a public comment submitted by a community member that was received after the agenda packet was sent out.

Assistant Planner Dingwall then summarized the community engagement events held, including two open forums and one virtual meeting. A total of 94 responses were received through these events and an online survey. The engagement results were presented to the City Council on March 17th, and the council provided direction based on recommendations from the Short-Term Vacation Rental ad hoc committee and community feedback.

Key points from the community engagement included:

- Support for both cap options (density or district-based and citywide) for the number of vacation rentals allowed, with the citywide cap receiving the highest level of support.
- Over 60% supported moving to a special use permit process.
- A majority thought applications should run with the applicant rather than the land.
- Preference for an annual good neighbor noticing policy.

The Planning Commission discussed the differences between special use permits and conditional use permits. Chair Newton expressed concern about the more limited public input process with special use permits.

Assistant Planner Dingwall presented the proposed changes to the code, including:

- Changing from conditional use to special use permits for vacation rentals in R1 and R2 zones.
- Implementing a citywide cap of 2% of total households (approximately 187 permits based on current data).
- Defining inactive permits and the process for reactivation.
- Establishing a local manager requirement within a certain distance of the rental property.
- Implementing penalties for non-compliance.
- Requiring annual good neighbor notices to properties within 500 feet.
- Having platforms like Airbnb collect the transient lodging tax.

The commission engaged in extensive discussion on various aspects of the proposed changes, including:

- Concerns about the density of vacation rentals in certain areas.
- The definition and requirements for local managers.
- Parking requirements and their potential impact on existing and future vacation rentals.

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- The shift from conditional use permits to special use permits and its effect on public input.
 - Penalties for non-compliance and the grace period for coming into compliance.
 - Safety requirements of Vacation Rentals.

The commission provided feedback on these issues, which staff will incorporate into the draft language for the next meeting. The next steps include a public hearing on the recommendation to the City Council.

ITEMS FROM STAFF

Community Development Director Scot Siegel thanked the commission for their work during the session. He mentioned that the next meeting in May would be the public hearing on the vacation rental policy updates. Community Development Director Siegel also noted that they are tracking a request from the commission to provide an update on housing production, which they can prepare for a future meeting.

Administrator Bates reminded everyone about the upcoming yearly Filing with the State requirement.

ITEMS FROM COMMISSIONERS

Commissioner Wright encouraged attendance at Oregon Government Ethics Commission classes.

ADJOURNMENT

Chair Newton-Curtis adjourned the meeting at: 9:39 p.m.

Attest:

Linda Newton-Curtis, Planning Commission Chair

Fé Bates, Office Assistant

PLANNING COMMISSION STAFF REPORT
AMENDING THE NEWBERG MUNICIPAL CODE, TITLE 15 DEVELOPMENT CODE, FOR
UPDATES TO VACATION RENTAL HOME POLICY

FILE NO: DCA24-0003

REQUEST: A Resolution recommending City Council amend the Newberg Comprehensive Plan, Zoning Map and Municipal Code, Title 15 Development Code to update vacation rental home policy.

APPLICANT: City of Newberg

HEARING DATE: May 8, 2025

ATTACHMENTS:

Resolution No. 2025-399 with:
Exhibit "A": Development Code Amendments
Exhibit "B": Findings

Attachments:

1. Planning Commission and Short-Term Rental Ad Hoc Committee Recommendations
2. City Council Recommendations
3. Community Engagement Summary
4. Vacation Rental Home and Short Term-Rental White Paper

- A. SUMMARY:** Updates to the City’s vacation rental home policy are reflected in the attached code amendments. The proposed amendments include changes to the Zoning Use Table classifications (NMC 15.305), Special Use Standards (NMC 15.445), and Transient Lodging Tax (NMC 3.10).
- B. BACKGROUND:** In March 2022, The Community Development Department provided an update to the Newberg City Council on the status of vacation rental homes. During that update, City staff noted that the rate of applications for vacation rental home applications had slowed during the COVID-19 pandemic, but had subsequently increased, raising concerns about how to balance business and tourism opportunities for vacations rental homes with potential changes in the character of neighborhoods and reductions in potentially available housing stock. Newberg City Council made no policy changes at that time but requested that Community Development Department staff return in the following year for another update. In August and September 2023, the Planning Commission received the Draft *Vacation Rental Home and Short-Term Rental White Paper*. During the public meetings, the Planning Commission created a request for a temporary moratorium on new vacation rental home applications and a series of recommendations on future updates to Vacation Rental Home regulations which were both provided to City Council in later meetings.

The City Council did not impose a moratorium, but in September 2023, the Newberg City Council established the Short-Term Rental Ad Hoc Committee, comprised of City Councilors and members of the public. Community Development Department staff provided an overview of the *Vacation Rental Home and Short-Term Rental White Paper* and Planning Commission recommendations to the City Council in November. The Vacation Rental Home and Short-Term Rental White Paper included background on the City’s existing regulations, recent trends related to vacation rental home operations, an analysis of public comments on vacation rental homes permitted between 2016 and 2023, and an overview of regulatory approaches that jurisdictions in Oregon and other communities use to manage vacation rental activities.

The Short-Term Rental Ad Hoc Committee convened five times between September 2023 and February 2024 to receive information and develop recommendations to Newberg City Council for future updates to the vacation rental home regulations. On February 1, 2024, the committee unanimously voted on a suite of recommendations to be shared with the City Council. The meetings included discussion on the pros and cons of vacation rental homes; land use application procedures; improving operator compliance, including transient lodging tax remittances, business licenses, and land use permitting approvals; software options for short-term rental program management by City staff; and criteria enhancements related to Newberg Municipal Code requirements.

On March 4, 2024, the Newberg City Council received an update on the Short-Term Rental Ad Hoc Committee’s recommendations, and directed staff to update regulations and operations for vacation rental homes. The Short-Term Rental Ad Hoc Committee was also decommissioned by the City Council during this meeting. The work assignment

was added to the *2024 Planning Division Work Plan* as a Critical Project.

In August 2024, the Newberg City Council hosted a community listening session which introduced issues related to vacation rental homes and invited public comments related to the topic. The City Council and Planning Commission held a joint work session in October to review the development code amendment scope of work and provide an opportunity for the Planning Commission to communicate past interaction with the public and thoughts on the City's current vacation rental home regulation, implementation, and initial policy recommendations. Following the approval of the project's scope of work in November and December 2024, the Community Development Department held a series of community engagement events to provide information on current policy and receive input from the public on the proposed policy recommendations. The community engagement events included two in-person open houses, one focused on vacation rental home operators, one virtual open house, and an online survey.

Updating vacation rental home policy within one year was adopted as a Newberg City Council objective in January 2025 to support the goal of "Preserving the balance between the needs of the tourism industry and preserving the character of our town."

On March 17, 2025 the Newberg City Council received a summary of the project's community engagement efforts and provided direction on policy. The Planning Commission held a work session on the draft proposed development code amendments on April 10, 2025.

- C. PROCESS:** A Development Code Amendment initiated by the City is a legislative action which follows Type IV procedures pursuant to Newberg Municipal Code 15.100.060. The Planning Commission will hold a legislative public hearing on the application. The Commission will make a recommendation to the Newberg City Council. Following the Planning Commission's recommendation, the Newberg City Council will hold a legislative public hearing to consider the matter. Important dates related to this application are as follows:

- a. 03/04/24: The Newberg City Council initiated amendments to the Newberg Municipal Code updating vacation rental home policy by a motion.
- b. 10/28/24: The Newberg City Council and Planning Commission held a joint work session to approve the DCA24-0003 project scope of work.
- c. 4/3/25 Planning staff published a Post-Acknowledgement Plan Amendment (PAPA) notice with the Department of Land Conservation and Development.
- d. 4/10/25 Planning Commission conducted a workshop on the proposed development code amendment.

- e. 10/31/24: Planning staff placed notice of public hearing on Newberg's website and posted notice in four public buildings.
- f. 4/24/25: The *Newberg Graphic* published notice of the hearing.
- g. 5/8/25: The Planning Commission held a public hearing, took public testimony, and deliberated on the proposed amendments.

D. STAFF/AGENCY COMMENTS: Per NMC 15.100.120, on Type IV procedures, the director shall provide referrals to ODOT and other agencies in compliance with state law and as otherwise determined by the City. A referral request was sent to ODOT, and any comments will be provided to the Planning Commission. A post-acknowledgement plan amendment was submitted to the Department of Land Conservation and Development on April 3, 2025.

E. PUBLIC COMMENTS: As of the writing of this report, the City has not received any public comments.

F. DISCUSSION: The proposed development code amendment includes a range of policy updates designed to increase compliance with registration and transient lodging tax remittance, manage the number of vacation rental homes and approval process, require additional noticing and local management, and clarify permit duration. Policy changes include:

- Requiring agents to collect transient lodging tax and submit returns where used by an operator.
- Applying the same Special Use standards to vacation rental rentals in all zones. (The amendment replaces the conditional use permit requirement for vacation rentals in the R-1 and R-2 zones with the special use permit requirement.)
- Creating a citywide cap on the number of vacation rental home permits issued limited to two percent of the number of households in Newberg.
- Establishing additional penalties for operating without registration.
- Requiring vacation rental home operators to complete annual "good neighbor" mailings to properties within 500 feet.
- Clarifying that permit approvals for vacation rental home operation are limited to the property owner-applicant. Vacation rental permits terminate with the sale or transfer of a property to a new owner.
- Requiring a vacation rental home operator to designate a local manager located within 40 miles of the site.

The proposed policy changes are recommended along with operational changes implemented by the Community Development Department including utilizing a software solution to track vacation rental home operations within the City and to support code

compliance efforts. This software solution is being introduced in concert with the introduction of the City's new online permitting system and updated website.

G. PRELIMINARY STAFF RECOMMENDATION:

The preliminary staff recommendation is made in the absence of public hearing testimony and may be modified subsequent to the close of the public hearing. Staff recommends that the Planning Commission does the following:

1. *Consider the staff report, public testimony, and the findings.*
2. *Deliberate.*
3. *Make a motion to adopt Resolution No. 2025-399, which recommends that the City Council adopt the Development Code Amendments to update the City's vacation rental home policy.*

MEMORANDUM

TO: Newberg Planning Commission

FROM: James Dingwall, Assistant Planner

SUBJECT: DCA24-0003 Vacation Rental Home Policy Update – Parking

DATE: May 1, 2025

As requested by the Planning Commission in its April 10, 2025 work session on vacation rental home policy updates, this memorandum contains a summary of existing parking requirements for vacation rental homes and other types of lodging accommodations in Newberg.

The City's current vacation rental home special use standards require a minimum of two parking spaces on the site that are available for the use of the rental occupants. This is the same quantity of parking required for a single-family dwelling unit with no vacation rental use. The spaces must be off-street and meet the dimensional standards (9'x18') and location requirements for off-street parking in NMC 15.440.

The table below contains the minimum parking requirements for single-family dwellings and each of the commercial lodging types regulated in NMC 15.440.

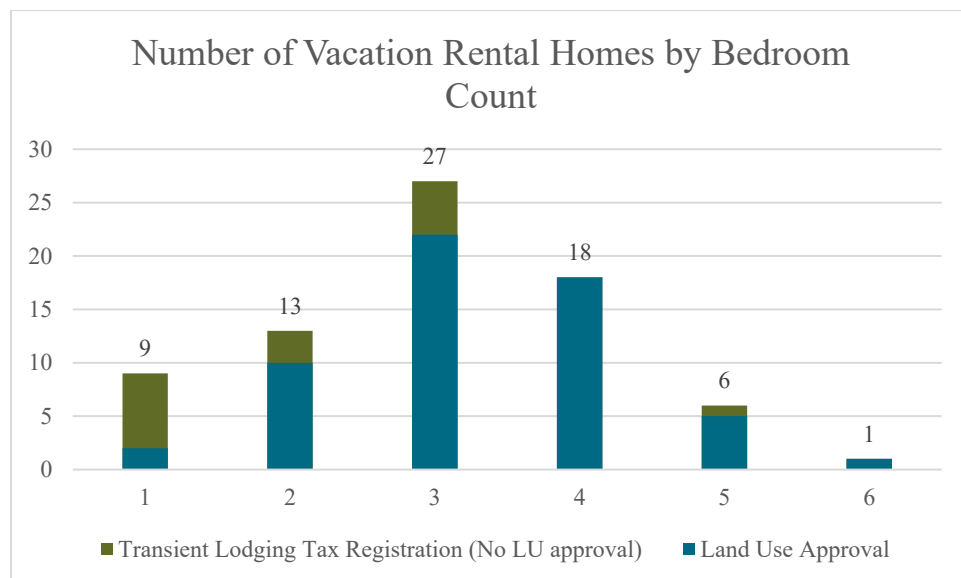
Lodging Type	Parking Required	Code Reference
Dwelling, single-family	2	NMC 15.440.030(A)
Hotels, motels, motor hotels, etc.	Minimum 1 for each guest room Maximum 1.2/1.5 for each guest room for uses fronting/not fronting a street with abutting on-street parking	NMC 15.440.030(A)
Vacation Rental Home	Minimum of two parking spaces on the site that are available for the use of the rental occupants.	NMC 15.445.330(A)
Bed and Breakfast	A minimum of one off-street parking space shall be provided for every two permitted guest sleeping rooms. In addition, parking standards	NMC 15.445.010(C)

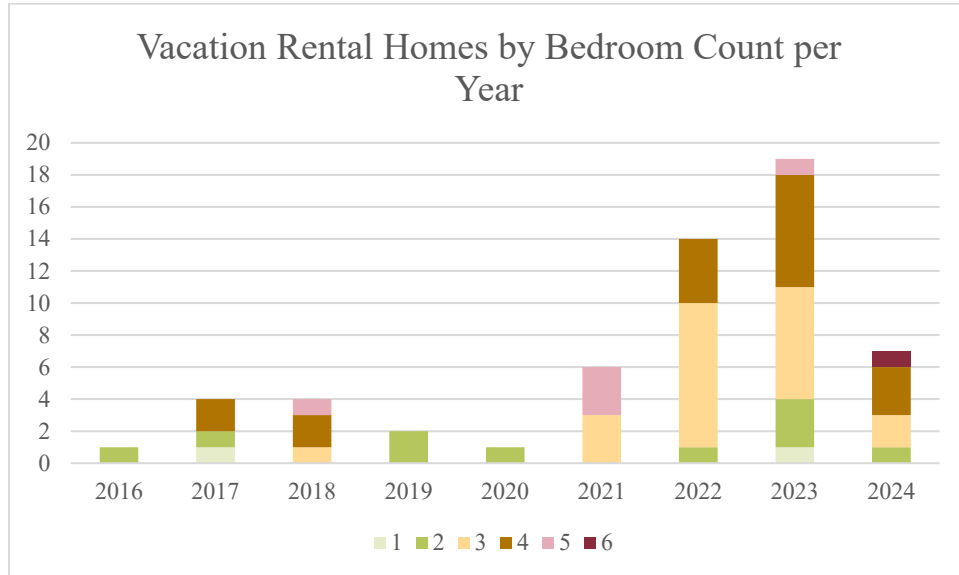
normally required for single-family residences will apply.

Pathways the Planning Commission could pursue to update the vacation rental home parking standards include:

- Fixed requirement:
 - 2 off-street parking spaces required (current policy)
- Sliding scale requirement:
 - 1 off-street parking space required for every two bedrooms (rounded up/down/or to the nearest whole number). Example: 4-bedroom rental required 1+1 = 2 off-street parking spaces.
- On-street parking credit (modifies chosen standard):
 - Example: 2 off-street parking spaces, and 1 additional parking space required for every two additional bedrooms. Up to 2 on-street parking spaces abutting the vacation rental home lot may be counted toward the minimum provided at least two of the required parking spaces are off-street.

Staff reviewed existing vacation rental home applications and transient lodging tax registrations that provide the number of bedrooms in each rental. 36% of vacation rental homes contain three bedrooms and 24% contain four bedrooms. In addition, the majority of vacation rentals approvals since 2021 have been for three-four bedroom rentals.





Other jurisdiction vacation rental home parking requirements:

- Dundee
 - At least two off-street parking spaces located on the property must be provided. In addition, one STR parking space may be on street. All overnight and visiting guests must park in designated parking areas (as shown on the site plan) or on the on-street parking space. No unauthorized on-street parking is permitted.
- Cannon Beach
 - Off-street parking is required as specified below. Occupancy is limited by the number of bedrooms, and by the number of available off-street parking spaces as specified in the following table.

Bedrooms (a)	Maximum occupancy (b) (c)	Minimum off-street parking
1	6	2
2	6	2
3	8	3
4	10	4
5	12	4

- (a) A bedroom consists of a room that meets the definitional requirements of the State of Oregon building code.
- (b) Occupancy includes only those persons two years of age and older.
- (c) In no event shall the occupancy of a dwelling exceed 12 persons, unless a short-term rental permit issued prior to January 1, 2005 established an occupancy of more than 12 persons.
- (d) Each off-street parking space must be located entirely on the property and must be at least nine feet wide by 18 feet long and must be accessible from a driveway or public street.



PLANNING COMMISSION RESOLUTION 2025-399

A RESOLUTION RECOMMENDING THE NEWBERG CITY COUNCIL AMEND THE NEWBERG MUNICIPAL CODE TITLE 15 TO UPDATE VACATION RENTAL HOME POLICY

RECITALS

1. On September 15, 2013, the Newberg City Council adopted Ordinance No. 2013-2763 containing multiple amendments to the Newberg Municipal Code zoning use table and definitions, approval criteria, and development standards for the operation of vacation rental homes.
2. On September 5, 2023, the Newberg City Council formed a Short-Term Rental Ad Hoc Committee.
3. On September 14, 2023, the Newberg Planning Commission approved recommendations for updates to the City's vacation rental home regulation.
4. On February 1, 2024, the Short-Term Rental Ad Hoc Committee unanimously approved recommendations for updates to the City's vacation rental home regulations.
5. On March 4, 2024, the Newberg City Council directed staff to update regulations and operations for vacation rental homes.
6. On August 22, 2024, the Newberg City Council hosted a community listening session and on November 20, 2024, December 3, 2024, and December 4, 2024, staff held public engagement events to receive community feedback on recommended policy updates.
7. On April 3, 2025, staff submitted a Post-Acknowledgement Plan Amendment (PAPA) notice with the Department of Land Conservation and Development (DLCD)
8. On April 10, 2025, the Newberg Planning Commission conducted a work session on the proposed development code amendments.
9. On May 8, 2025, after proper notice, the Newberg Planning Commission opened a public hearing, considered public testimony, deliberated, found that the proposed amendments were in the best interests of the City of Newberg.

The Newberg Planning Commission resolves as follows:

1. The Planning Commission of the City of Newberg recommends the City Council adopt the proposed changes to the Newberg Municipal Code amendments for Title 15 Development Code to update vacation rental home policy.

2. This recommendation is based on the staff report, Exhibit “A” Development Code Amendment language and Findings in Exhibit “B”.
3. Exhibits “A” and “B” are incorporated by reference.

Adopted by the Newberg Planning Commission this 8th day of May 2025.

ATTEST:

Planning Commission Chair

Planning Commission Secretary

List of Exhibits:

Exhibit “A”: Development Code Amendments

Exhibit “B”: Findings

Exhibit “A” to Planning Commission Resolution No. 2025-399 Development Code Amendments – File DCA24-0003

Note: Formatting of amendments:

1. Code edits and revisions are indicated using double underline for text additions and ~~strike-out~~ for text deletions.
2. Backslashes “\” indicate text that is unchanged and has been omitted for brevity.

The Newberg Municipal Code shall be amended as follows:

Section 1. Revenue and Finance, 3.10 is amended as follows:

Chapter 3.10

TRANSIENT LODGING TAX

Sections:

- 3.10.010 Definitions.
- 3.10.020 Levy.
- 3.10.030 Collection.
- 3.10.040 Operator’s duties.
- 3.10.050 Exemptions.
- 3.10.060 Returns.
- 3.10.070 Penalties and interest.
- 3.10.080 Deficiencies, fraud, evasion, and delay.
- 3.10.090 Redeterminations.
- 3.10.100 Security for collection.
- 3.10.110 Lien.
- 3.10.120 Refunds.
- 3.10.130 Expenditure of funds and collection fee.
- 3.10.140 Administration.
- 3.10.150 Appeal to city council.
- 3.10.160 Violations.
- 3.10.170 Penalty.

3.10.010 Definitions

For the purpose of this chapter, the following definitions shall apply unless the context clearly indicates or requires a different meaning:

“**Agent**” includes, but is not limited to, an on-line or Internet based booking service (Craigslist, AirBnB, VRBO, HomeAway, FlipKey, VactionHomeRentals, Roomorama, as examples), a travel intermediary, or a person licensed by the Oregon Real Estate Agency.

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“Operator” means the person who is proprietor of a hotel and motel in any capacity and, where the operator performs their functions through a managing agent other than an employee, the managing agent who shall have the same duties and liabilities as their principal. Compliance with the provisions of this chapter by either the principal or the managing agent shall be considered to be compliance by both.

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3.10.030 Collection.

A. Every operator renting a room in this city, the occupancy of which is not exempted under the terms of NMC 3.10.050, shall collect a tax from the occupant of the room. The tax collected or accrued by the operator constitutes a debt owing by the operator to the city.

1. Where an agent is used for the advertisement, management, or booking of a vacation rental home, the agent shall collect the applicable transient lodging tax.

2. Where no agent is used for the advertisement, management, or booking of a vacation rental home, the operator shall collect the applicable transient lodging tax.

B. In all cases of credit or deferred payment of rent, the payment of the tax to the operator may be deferred until the rent is paid, and the operator shall not be liable for the tax until the credit is paid or the deferred payment is made.

C. The tax administrator shall enforce this chapter and may adopt rules and regulations consistent with this chapter and necessary to aid in the enforcement. [Ord. 1835A, 12-6-76. Code 2001 § 36.17.]

3.10.040 Operator’s duties.

Each operator or agent as applicable shall collect the tax imposed by NMC 3.10.020 on a transient at the same time as the operator collects rent from the transient. The amount of the tax shall be separately stated upon the operator’s records and on any receipt for the rent rendered by the operator to the transient. No operator shall advertise that the tax or any part of the tax will be assumed or absorbed by the operator, or that it will not be added to the rent, or that, when added, any part will be refunded. [Ord. 1835A, 12-6-76. Code 2001 § 36.18.]

Penalty: See NMC 3.10.170.

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3.10.060 Returns.

A. The tax imposed by NMC 3.10.020 shall be paid by the transient to the operator when the transient pays rent to the operator. All such taxes collected by any operator are due and payable to the tax administrator on the fifteenth day of the month for the preceding quarter and are delinquent on the first day of the following month in which they are due.

B. On or before the fifteenth day of the month following each quarter of collection by an operator, the operator shall file a return for that quarter's tax collections with the tax administrator. The return shall be filed in such form as the tax administrator prescribes.

1. Where an agent is used for the advertisement, management, or booking of a vacation rental home, the agent shall file the applicable transient lodging tax return. The operator shall file a form confirming submission of transient lodging tax through the agent, or that no tax was collected to be remitted, in such form as the tax administrator provides.

C. A return shall show the amount of tax collected or otherwise due for the period for which the return is filed. The total rentals upon which the tax is collected or otherwise due, gross receipts of the operator for the period, and an explanation in detail of any discrepancy between such amounts, and the amount of rents exempt, if any.

D. The person required to file the return shall deliver the return, together with the remittance of the amount of the tax due, with the tax administrator's office either by personal delivery or by mail. If the return is mailed, the postmark shall be considered the date of delivery.

E. For good cause, the tax administrator may extend, not to exceed one month, the time for making any return or payment of tax. Any operator to whom an extension is granted shall pay interest at the rate of one-half of one percent per month or fraction thereof. If a return is not filed, the tax and interest shall become a part of the tax for computation of penalties prescribed in NMC 3.10.070.

F. The tax administrator, if the tax administrator deems it necessary in order to ensure payment or facilitate collection by the city of the amount of taxes in any individual case, may require returns and payment of the amount of taxes for other than monthly periods. [Ord. 1835A, 12-6-76. Code 2001 § 36.20.]

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Section 2. Development Code, 15.305.020 is amended as follows:

Chapter 15.305

ZONING USE TABLE

Sections:

- 15.305.010 Classification of uses.
- 15.305.020 Zoning use table – Use districts.
- 15.305.030 Zoning use table – Use subdistricts.

15.305.010 Classification of uses.

The zoning use table under NMC 15.305.020 identifies the land uses that are allowed in the various zoning districts. The specific land use categories are described in Chapter 15.303 NMC. The table identifies each use as one of the following:

- P Permitted Use. The use is a permitted use within the zone. Note that the use still may require design review, building permits, or other approval in order to operate.
- C Conditional Use. A conditional use permit is required for the use. See Chapter 15.225 NMC.
- S Special Use. The use is subject to specific standards as identified within this code. The applicable section is included in the last column of the table.
- (#) A note indicates specific limits on the use. These notes are listed at the bottom of the table.
- X Prohibited Use. The use is specifically prohibited.

If none of the codes above are indicated, then the use is not permitted within the zone. [Ord. 2763 § 1 (Exh. A § 6), 9-16-13.]

15.305.020 Zoning use table – Use districts.

Newberg Development Code – Zoning Use Table

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#	Use	R-1	R-2	R-3	R-4	RP	C-1	C-2	C-3	C-4	M-E	M-1	M-2	M-3	M-4-I	M-4-C	M-5	CF	I	AR	AI	Notes and Special Use Standards
460	COMMERCIAL LODGING																					
Def.	Vacation rental home	CS	CS	S	S	S	S(13)	S(13)	S(13)	S(13)	X						S(13)					Chapter 15.445 NMC, Article VII
(13) Permitted in existing dwelling units only. New dwelling units may not be created for this use unless the dwelling unit would otherwise be allowed.																						

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Section 3. Newberg Development Code, 15.445 is amended as follows:

[...]

15.445.310 Where allowed.

Vacation rental homes are permitted in areas shown on Chapter 15.305 NMC. The vacation rental home must be a structure approved for occupancy as a single-family dwelling unit. [Ord. 2763 § 1 (Exh. A § 17), 9-16-13.]

A. The total number of vacation rental homes permitted in the City of Newberg shall not exceed two percent of the total number of households existing in the City of Newberg based on data published annually by the Community Development Department. The Director shall annually publish the total number of vacation rental homes permitted within the City and the number of available licenses. Should the City reach the two percent limit, no new vacation rental home permit shall be issued until an equal number of vacation rental permits become inactive or are terminated.

B. A vacation rental home permit is considered inactive if a business license for the vacation rental is not renewed within one year of its expiration.

C. All vacation rental homes in operation prior to October 13, 2013 and not meeting the standards in Chapter 15.445.330(A-D), or in structure types other than a single-family unit, may continue to operate as legal nonconforming uses pursuant to Chapter 15.205.030 NMC and this section. Specifically, discontinuance or abandonment of vacation rental home operation including not renewing a business license within one year of expiration shall constitute termination of nonconforming vacation rental use. All vacation rental homes in operation prior to August 6, 2025 shall apply for registration per Chapter 15.445.320 NMC no later than November 4, 2025 and shall have received approval per Chapter 15.445.320 NMC no later than August 6, 2026, or shall be terminated.

15.445.320 Registration required.

Prior to use or advertising for use of a dwelling as a vacation rental home, the owner or operator shall register the vacation rental home with the city on forms provided by the director to obtain a land use permit, business license, and Transient Lodging Tax registration. The registration shall include such information required by the director, including the name and contact information for the owner, operator and local contact.

Penalty. Upon being notified by the City that a vacation rental home is operating without registration in violation of this code, its owner shall apply to register the vacation rental within 45 days of the date of notice and cease operation until registration has been obtained. Violation of a provision of this section shall be subject to an administrative civil penalty not to exceed \$2,000 for the first offense and \$5,000 for each additional offense and shall be processed in accordance with the procedures set forth in this code. Each confirmed rental booking following the 45 day notice shall constitute a separate violation.

[Ord. 2763 § 1 (Exh. A § 17), 9-16-13.]

15.445.330 Standards.

A. The vacation rental home shall provide a minimum of two parking spaces on the site that are available for use of the rental occupants.

B. The applicant shall provide for regular refuse collection.

C. The vacation rental home may not be occupied by more than two rental occupants per bedroom, up to a maximum of 15 people.

D. The premises of the vacation rental home may not include any occupied recreational vehicle, trailer, tent or temporary shelter during the rental occupancy. [Ord. 2763 § 1 (Exh. A § 17), 9-16-13.]

E. The applicant shall provide annual good neighbor notices to properties within 500 feet. The notice shall include such information required by the director, including the name and contact information of the owner, local contact, and complaint procedures per Chapter 15.445.350 NMC. Compliance shall be documented at vacation rental home business license renewal.

F. Ownership. The land use approval of the dwelling unit as a vacation rental home is in the names of the property owners and the land use approval is not transferable. Except as provided in subsection F(1), below, when any owner of record at the time of land use approval sells or transfers a property approved, occupied, or rented as a vacation rental home, the vacation rental home land use approval shall cease,

1. For purposes of this chapter, “sells or transfers” means any change of ownership during the lifetime of any of the owners, whether or not there is consideration, or after the death of any of the owners, except a change in ownership where title is held in survivorship with a spouse, domestic partner, or child, or transfers on the owner’s death to a trust which benefits only a spouse, domestic partner, or child for the lifetime of the spouse, domestic partner, or child. An owner may transfer ownership of the real property to a trustee, a limited liability company, a corporation, a partnership, a limited partnership, a limited liability partnership, or other similar entity and not be subject to loss of short-term rental land use approval so long as the transferor lives and remains the only owner of the entity to which ownership was transferred. Upon the transferor’s death or upon the sale or transfer of his or her interest in the entity to another person, the short-term rental land use approval shall terminate.

G. Local Manager. The owner or designated property manager shall be located within 40 miles of the vacation rental home.

15.445.340 Registration posting.

The applicant shall post the vacation rental home registration within the dwelling adjacent to the front door. At a minimum, the posting will contain the following information:

- A. The name of the operator and a telephone number where the operator may be reached.
- B. The telephone number for the police department.
- C. The maximum number of occupants permitted to stay in the dwelling.
- D. The standards for the rental occupancy.
- E. The solid waste collection day. [Ord. 2763 § 1 (Exh. A § 17), 9-16-13.]

15.445.350 Complaints and revocation of registration.

If the city receives two or more written complaints within a one-year period regarding vacation rental home occupancy compliance, and the issues have not been resolved through the code enforcement officer, the city manager may schedule a hearing to consider revoking the vacation rental home registration. The hearing may be conducted by the city manager, or other such hearings officer as the city manager may appoint for this purpose. The city manager shall notify the owner and operator of the hearing, those submitting written complaints, and may invite others to submit testimony at the hearing. After hearing the facts, the city manager may do any of the following:

- A. Revoke the registration for noncompliance with the standards in this section. If this permit is revoked, the premises may not be used as a vacation rental home for a period of two years, or a period of lesser time as determined by the hearings officer.
- B. Impose additional conditions necessary to fulfill the purpose of this section.
- C. Establish a probationary period to monitor compliance.
- D. Dismiss the complaint.
- E. Refer the matter to the code enforcement officer for citation in municipal court or other appropriate jurisdiction.

The hearings officer's decision may be appealed to the planning commission by the applicant, owner, or person filing the written complaint within 14 calendar days of the date of the decision in the manner provided in NMC 15.100.170. [Ord. 2763 § 1 (Exh. A § 17), 9-16-13.]

Exhibit “B” to Planning Commission Resolution No. 2025-399 Findings – File DCA24-0003

APPLICABLE CRITERIA

A. Statewide Planning Goals (the “Goals”)

GOAL 1: CITIZEN INVOLVEMENT

To develop a citizen involvement program that ensures the opportunity for citizens to be involved in all phases of the planning process.

Finding: The Newberg Planning Commission developed initial recommendations on vacation rental home policy updates at regularly noticed meetings on August 10 and September 12, 2023. The Short-Term Rental Ad Hoc Committee was formed by the Newberg City Council on September 5, 2023 and held 5 public meetings to discuss policy alternatives and receive feedback from the public. Following the initiation of the development code amendment at the City Council’s March 4, 2024 meeting, the City Council hosted a community listening session August 22, 2024 introducing issues related to vacation rental homes and inviting public comment. The City Council and Planning Commission held a public joint work session to approve the project’s scope of work, and the Community Development Department held three open house events to provide information on existing policy and prevalence of vacation rental homes and receive feedback on recommended policies. The open house events were targeted at the general public and vacation rental home operators, and were provided in in-person and online formats. The City Council provided policy direction at its March 17, 2025 meeting, and the Planning Commission held a work session on draft development code language on April 10, 2025. The Planning Commission will conduct a public hearing at its May 8, 2025 meeting to consider the staff report, public testimony, and findings, deliberate, and make a recommendation to the Newberg City Council. Public notice was published by the Newberg Graphic on April 24, 2025 and posted in four public places on May 1, 2025. A post-acknowledgement plan amendment notice was submitted to the Department of Land Conservation and Development on April 3, 2025 (DLCD File # 001-25) The Newberg City Council is scheduled to hold a public work session on the proposed development code amendment on June 2, 2025 followed by a public hearing on adoption on July 7, 2025.

The Goal is met.

GOAL 2: LAND USE PLANNING

To establish a land use planning process and policy framework as a basis for all decisions and actions related to use of land and to assure an adequate factual base for such decisions and actions.

Finding: This Goal requires that land use decisions 1) have an adequate factual base, 2) that alternatives have been considered, and 3) that implementation measures are consistent with and adequate to carry out comprehensive plan policies and designations.

The proposed legislative amendment to the Newberg Comprehensive Plan follows the Type IV procedure outlined in Newberg Municipal Code Chapter 15.100.060 and notice procedures for Type IV legislative hearings in NMC Chapters 15.100.250 and 15.100.270. The recommendations of the Newberg Planning Commission, Short-Term Rental Ad Hoc Committee, and Newberg City Council were informed by background information related to the City's existing adopted regulations, recent trends related to rental home operations, analysis of public comments, and an overview of regulatory approaches that jurisdictions in Oregon and other communities are using to manage vacation rental activities. The Newberg Planning Commission, Short-Term Rental Ad Hoc Committee, and Newberg City Council considered policy and operational alternatives in making their recommendations at work sessions and public meetings. As discussed elsewhere in these findings, the proposed policy updates and implementation measures are consistent with the Newberg Comprehensive Plan goals and policies.

The Goal is met.

GOAL 3: AGRICULTURAL LANDS

To preserve and maintain agricultural lands.

Finding: Not applicable because the proposal does not propose any land use regulation changes to agricultural lands. The proposal is for lands inside the Newberg Urban Growth Boundary.

GOAL 4: FOREST LANDS

To conserve forest lands by maintaining the forest land base and to protect the state's forest economy by making possible economically efficient forest practices that assure the continuous growing and harvesting of forest tree species as the leading use on forest land consistent with sound management of soil, air, water, and fish and wildlife resources and to provide for recreational opportunities and agriculture.

Finding: Not applicable because the proposal does not propose any land use regulation changes to forest resource lands. The proposal is for lands inside the Newberg Urban Growth Boundary.

GOAL 5: NATURAL RESOURCES, SCENIC AND HISTORIC AREAS, AND OPEN SPACES

To protect natural resources and conserve scenic and historic areas and open spaces.

Finding: The proposed amendment will not negatively impact inventoried Goal 5 resources because the amendments do not change protections that already exist in the Newberg Municipal Code, Specific Plans and Master Plans to protect these resources. Newberg has an acknowledged Stream Corridor designation, inventoried historic resources, and identified open spaces in compliance with Goal 5.

For designated historic resources, all locally designated historic resources that require review per Chapter 15.344 Historic Landmarks (H) Subdistrict for exterior modifications and construction on historic sites.

This Goal is met.

GOAL 6: AIR, WATER AND LAND RESOURCES QUALITY

To maintain and improve the quality of the air, water and land resources of the state.

Finding: Newberg has an acknowledged Comprehensive Plan that complies with this goal. Protections are already in place for air, water, and land resource quality. This proposal does not modify the existing goals and policies as the area is already zoned for a mixture of commercial and industrial uses. The proposed zone is a hybrid zone allowing a mixture of downtown commercial and small-site industrial uses.

This Goal is met.

GOAL 7: AREAS SUBJECT TO NATURAL HAZARDS

To protect people and property from natural hazards.

Finding: Newberg has an acknowledged Comprehensive Plan that complies with this goal. This proposal does not modify the City's natural hazards requirements such as flood plain or landslide areas. This proposal does not modify the existing goals and policies and none of the proposed district is in a known hazard zone.

This Goal is met.

GOAL 8: RECREATIONAL NEEDS

To satisfy the recreational needs of the citizens of the state and visitors and, where appropriate, to provide for the siting of necessary recreational facilities including destination resorts.

Finding: The proposed development code amendments provide for the regulation and facilitation of vacation rental homes within the City. Newberg has an acknowledged

Comprehensive Plan that complies with this goal. This proposal does not modify the City's recreational goals and policies.

This Goal is met.

GOAL 9: ECONOMIC DEVELOPMENT

To provide adequate opportunities throughout the state for a variety of economic activities vital to the health, welfare, and prosperity of Oregon's citizens.

Finding: The proposed development code amendments provide a consolidated land use review process for vacation rental homes and policies to preserve the balance between the needs of the tourism industry and preserve the character of the town. Newberg has an acknowledged Comprehensive Plan that complies with this goal, which includes general policies related to the economy encouraging tourist-related activities and services and promoting Newberg as a tourist destination location. The proposed amendments to the Newberg Municipal Code further these policies. The proposed limit on vacation rental homes is based on the number of households within the city, positioning vacation rental home activities to continue growing as Newberg grows and serve as a vital part of the local economy.

The Goal is met.

GOAL 10: HOUSING

To provide for the housing needs of citizens of the state.

Finding: Newberg has seen an increase in the number of vacation rental home applications since the current policies were established in 2013. The proposed development code amendments include a limit on the number of vacation rental homes permitted in the City. This cap, limited to two percent of the number of households within Newberg, will ensure that the City's housing stock is available for residents and continued growth in the City. The proposed development code amendments do not impact the adopted municipal code provisions intended to provide flexibility in development standards to affordable housing projects or to the incentive programs adopted by the Newberg City Council to promote a diversity of housing types and sizes. The proposal also does not modify the housing goals and policies identified within Newberg's Comprehensive Plan.

The Goal is met.

GOAL 11: PUBLIC FACILITIES AND SERVICES

To plan and develop a timely, orderly and efficient arrangement of public facilities and services to serve as a framework for urban and rural development.

Finding: Newberg has an acknowledged Comprehensive Plan that complies with this goal. This proposal does not modify the City's public facilities requirements such as infrastructure or utilities or the City's Capital Improvement Program.

The proposal meets the Goal.

GOAL 12: TRANSPORTATION

To provide and encourage a safe, convenient and economic transportation system.

Finding: Newberg has an acknowledged Comprehensive Plan that complies with this goal. This proposal does not modify the City's transportation requirements or transportation capital improvements or the City's adopted Transportation System Plan.

The proposal meets the Goal.

GOAL 13: ENERGY CONSERVATION

To conserve energy.

Finding: The proposed development code amendments apply to vacation rental homes which are located in single-family dwellings. There will likely not be additional energy usage demands separate from those associated with additional residential development that may take place within the City.

This Goal is met.

GOAL 14: URBANIZATION

To provide for an orderly and efficient transition from rural to urban land use, to accommodate urban population and urban employment inside urban growth boundaries, to ensure efficient use of land, and to provide for livable communities.

Finding: The proposed amendment does not include an expansion of the Urban Growth Boundary but ensures the efficient use of the land within the existing Urban Growth Boundary for the projected population and employment opportunities within the City and meets the goal. The proposal will maintain Newberg's identity and enhance the quality living and employment environment by balancing growth and providing varying business activities.

This Goal is met.

GOAL 15: WILLAMETTE RIVER GREENWAY

To protect, conserve, enhance and maintain the natural, scenic, historical, agricultural, economic and recreational qualities of lands along the Willamette River as the Willamette River Greenway.

Finding: The City of Newberg is located along the Willamette River on its southern border. The proposed amendment does not alter any area or protections otherwise established in the Newberg Comprehensive Plan or Newberg Municipal Code within the boundaries of the Willamette River Greenway.

This Goal is not applicable.

B. Newberg Comprehensive Plan

II. GOALS AND POLICIES

A. CITIZEN INVOLVEMENT

GOAL: To maintain a Citizen Involvement Program that offers citizens the opportunity for involvement in all phases of the planning process.

Finding: The City meets this goal through its Type IV legislative procedures subject to NMC 15.100.060 and 15.100.250 as well as through completion of public outreach, noticing, and public meetings that were conducted. There have been public meetings of the Newberg Planning Commission, Short-Term Rental Ad Hoc Committee, Newberg City Council, and public engagement events. A webpage was prepared to inform the public of the pending proposal. Finally, notice was published in the Newberg Graphic newspaper and posted in four public places. A post-acknowledgement plan amendment notice was submitted to the Department of Land Conservation and Development on April 3, 2025.

The amendments are subject to the Type IV Legislative process, which requires public notification and public hearings before the Planning Commission and the City Council. This process has been established by the City and determined to be consistent with Goal I of the Oregon Statewide Planning Goals. The public hearing notice of the action and decision, and the hearings on this case before the Planning Commission and the City Council are all recognized as opportunities for citizen participation.

The Goal is met.

B. LAND USE PLANNING

GOAL: To maintain an on-going land use planning program to implement statewide and local goals. The program shall be consistent with natural and cultural resources and needs.

Finding: The City meets this goal by having a comprehensive plan that follows state goals and implementing ordinances such as the Newberg Municipal Code. Policy B(2) requires that “The Comprehensive Plan and implementing ordinances shall be reviewed continually and revised as needed.” The proposed development code updates achieve this goal by providing an opportunity for review of the City’s vacation rental home policies.

The Goal is met.

C. AGRICULTURAL LANDS

GOAL: To provide for the orderly and efficient transition from rural to urban land uses.

Finding: The proposed amendments impact the regulation and policies applicable to the use of residential property as vacation rental homes. The proposed policies do not impact the development of areas of transition from rural to urban land uses or conversion of urbanizable land from agricultural to urban uses.

This goal is not applicable.

D. WOODED AREAS

GOAL: To retain and protect wooded areas.

Finding: The proposed amendments impact the regulation and policies applicable to the use of residential property as vacation rental homes. The proposed policies do not impact the preservation of wooded areas or other implementing policies such as the Stream Corridor Overlay Subdistrict protections.

This goal is not applicable.

E. AIR, WATER, AND LAND RESOURCE QUALITY

GOAL: To maintain and, where feasible, enhance the air, water and land resource qualities within the community.

POLICIES

1. Development shall not exceed the carrying capacity of the air, water or land resource base.
2. Water quality in the Willamette River and tributary streams shall be protected.
3. As public sanitary sewer systems become available, all development shall connect to the public system. To encourage economic development, the City may permit subsurface sewerage disposal where the system meets State and County requirements and where unique circumstances exist.
4. The Newberg airshed shall be protected from excessive pollution levels resulting from urbanization.
5. New industry should be located in area which minimize the impacts upon the air, water, and land resources base, as well as upon surrounding land uses.
6. The City will cooperate with State and Federal agencies which regulate environmental quality and shall adhere to the standards established by these agencies in the issuance of any permits or approvals given by the City. This policy is intended to cover discharges and emissions which may impair air, water or land quality or exceed the established standards for noise or other emissions.

7. The threat of excessive noise will be considered when reviewing land use requests. In addition, and new commercial and industrial developments shall conform to DEQ noise pollution standards.
8. The City will continue to support soil conservation measures designed to prevent unnecessary losses through excavation, stripping, erosion, and sedimentation.
9. The City will seek abatement of the aesthetic degradation of the environment resulting from blighted neighborhoods, indiscriminate waste disposal, offensive outdoor storage.
10. The City shall promote community cleanup programs.
11. The City will continue to encourage and support the three R's of recycling (re-use, reduction, and recycling)

Finding: Newberg has an acknowledged Comprehensive Plan that complies with this goal. Protections are already in place for air, water, and land resource quality. This proposal does not modify the existing goals and policies. Any permit submittal will be required to meet state requirements regarding emissions and noise as well as local ordinances, as applicable. The amendment is to encourage redevelopment of the area, which over time could potentially reduce excess outside storage in the area and therefore reduce or mitigate impacts on air, water, and land resources.

F. AREAS SUBJECT TO NATURAL HAZARDS

GOAL: To protect life and property from flooding and other natural hazards.

Finding: Newberg has an acknowledged Comprehensive Plan that complies with this goal. This proposal does not modify the City's natural hazards requirements such as flood plain or landslide areas. This proposal does not modify the existing goals and policies. The proposed area does not contain any floodplain areas and does not have any known area subject to natural hazards. This goal is met.

G. OPEN SPACE, SCENIC, NATURAL, HISTORIC AND RECREATIONAL RESOURCES

GOALS:

1. To ensure that adequate land shall be retained in permanent open space use and that natural, scenic and historic resources are protected.
2. To provide adequate recreational resources and opportunities for the citizens of the community and visitors.
3. To protect, conserve, enhance and maintain the Willamette River Greenway.

POLICY: 3. Historic Resources Policies

- a. The continued preservation of Newberg's designated historic sites and structures shall be encouraged.
- d. The City will encourage the re-use of historic structures such as the establishment of bed and breakfast operations, specialty shops, restaurants and professional offices.

Finding: The proposed amendment will not negatively impact open space or historic resources because the amendments do not change protections that already exist in the Newberg Municipal Code, Specific Plans, and Master Plans to protect these resources. Newberg has an acknowledged Stream Corridor designation, inventoried historic resources, and identified open spaces in compliance with State Goal 5.

The proposed policy updates for vacation rental homes do not change the designated historic resources that already exist in the proposed zone or what it would take to modify them. The proposed policies do not currently provide recreational resources or open space and is not located in the Willamette River Greenway. The proposed policies are designed to provide regulated use of vacation rental homes that grow as the City's population increases, facilitating access to adequate recreational resources and opportunities for visitors.

This goal is met.

H. THE ECONOMY

GOAL: To develop a diverse and stable economic base.

1. General Policies

- a. In order to increase the percentage of persons who live in Newberg and work in Newberg, the City shall encourage a diverse and stable economic base. Potential methods may include, but are not limited to, land use controls and capital improvement programs.
- b. The City shall encourage economic expansions consistent with local needs
- c. The City will encourage creation the creation of a diversified employment base, the strengthening of trade centers and the attraction of both capital and labor intensive enterprises.
- d. Newberg will encourage the development of industries which represent the most efficient use of existing resources including land, air, water, energy and labor
- e. Economic expansion shall not exceed the carrying capacity of the air, water or land resource quality of the planning area.
- f. The City shall participate with local and regional groups to coordinate economic planning.
- g. The City shall encourage business and industry to locate within the Newberg City limits.

- h. Yamhill County history, products and activities should be promoted.
- i. The City shall encourage tourist-related activities and services such as motor inns, restaurants, parks and recreation facilities, a visitor center, conference and seminar activities.
- j. A mixed-use river-oriented commercial area should be encourage to be developed near the Willamette River.
- k. The City shall promote Newberg as a tourist destination location.
- l. The City shall promote the expansion of local viticulture and wine productions as a method for increasing tourism.

Finding: Tourism is a key part of Newberg’s economy, and policies H(1)(i) and H(1)(k) highlight that “the City shall encourage tourist-related activities such as motor inns, restaurants, parks and recreation facilities, a visitor center, conference and seminar activities” and that “the City shall promote Newberg as a tourist destination.” The commercial use of vacation rental homes provides accommodation for tourists. The proposed amendments to the Newberg Municipal Code further these policies. The proposed limit on vacation rental homes is based on the number of households within the city, positioning vacation rental home activities to continue growing as Newberg grows and serve as a vital part of the local economy.

The goal is met.

I. HOUSING

GOAL: To provide for diversity in the type, density and location of housing within the City to ensure there is an adequate supply of affordable housing units to meet the needs of City residents of various income levels. (Ordinance 2006-2634).

Finding: The proposed development code amendment includes policies to limit the number of vacation rental home to grow as the City’s population increases. This cap will allow additional residential development to be used by Newberg residents. The proposed policy updates do not change the Comprehensive Plan’s density, location, or mix policies, and do not impact development code development standards for additional residential or middle housing development.

This goal is met.

J. URBAN DESIGN

GOAL 1: To maintain and improve the natural beauty and visual character of the City.

GOAL 2: To develop and maintain the physical context needed to support the livability and unique character of Newberg.

GENERAL POLICY1(C): Non-residential uses abutting residential areas should be subject to special development standards in terms of setbacks, landscaping, sign regulations, building heights and designs.

Finding: Vacation rental homes require a special use permit and are subject to the special use standards in Newberg Municipal Code Chapter 15.445. The proposed development code amendments maintain the special use standards and apply new standards to increase the compatibility of vacation rental homes in residential areas. The vacation rental home use occurs in single-family dwellings and the setbacks, landscaping, sign regulations, building heights and design standards apply to new residential development.

This goal is met.

K. TRANSPORTATION

GOAL 1: Establish cooperative agreements to address transportation based planning, development, operation and maintenance.

GOAL 2: Establish consistent policies which require concurrent consideration of transportation/land use system impacts.

GOAL 3: Promote reliance on multiple modes of transportation and reduce reliance on the automobile.

GOAL 4: Minimize the impact of regional traffic on the local transportation system.

GOAL 5: Maximize pedestrian, bicycle and other non-motorized travel throughout the City.

GOAL 6: Provide effective levels of non-auto oriented support facilities (e.g. bus shelters, bicycle racks, etc.).

GOAL 8: Maintain and enhance the City's image, character and quality of life.

GOAL 9: Create effective circulation and access for the local transportation system.

GOAL 10: Maintain the viability of existing rail, water and air transportation systems.

GOAL 11: Establish fair and equitable distribution of transportation improvement costs.

GOAL 12: Minimize the negative impact of a Highway 99 bypass on the Newberg community.

GOAL 13: Utilize the Yamhill County Transit Authority (YCTA) Transit Development Plan (TDP) as a Guidance Document.

GOAL 14: Coordinate with Yamhill County Transit Area.

GOAL 15: Implement Transit-Supportive Improvements.

Finding: The City of Newberg has an adopted Transportation System Plan from 2016 which includes the Addendum Riverfront Master Plan 2021 which have gone through the Post Acknowledgment Amendment process. The transportation system is planned to accommodate the population growth of the community for a 20-year planning period. There are no proposed modifications to the transportation system.

This goal is met.

L. PUBLIC FACILITIES AND SERVICES

GOAL: To plan and develop a timely, orderly and efficient arrangement of public facilities and services to serve as a framework for urban development.

Finding: Existing public facilities and services are already available and planned for the City. No new roads or infrastructure are planned for this amendment, and no changes are proposed to the City's Capital Improvement Program.

This goal is not applicable.

M. ENERGY

GOAL: To conserve energy through efficient land use patterns and energy- related policies and ordinances.

Finding: The proposed development code amendments apply to vacation rental homes which are located in single-family dwellings. There will likely not be additional energy usage demands separate from those associated with additional residential development that may take place within the City.

This goal is met.

N. URBANIZATION

GOALS:

1. To provide for the orderly and efficient transition from rural to urban land uses.
2. To maintain Newberg's identity as a community which is separate from the Portland Metropolitan area.
3. To create a quality living environment through a balanced growth of urban and cultural activities.

Finding: The proposed amendment is within City Limits and will not create any new growth or transition from rural to urban land uses.

Conclusion: Based on the findings above, the proposed development code amendments for updates to the City's vacation rental home policies meets all statewide planning goals and goals of the Newberg Comprehensive Plan, or the goals are not applicable.

Attachment 1. Planning Commission and Short-Term Rental Ad Hoc Committee Vacation Rental Home Recommendations

Planning Commission

1. The City Council and the Planning Commission engage in a joint work session to investigate and consider regulatory approaches for vacation rentals.
2. That the City Council consider enhanced enforcement of permitting and TLT activities for improved compliance.
3. That the City Council consider enhanced monitoring of violations and complaints associated with Vacation Rental activities.
4. Discuss the need for regulation using a density-based cap.
5. Discuss the amortization of non-compliant operators similar to the policy used in Lincoln City.

Ad Hoc Committee

Reporting

1. The City Council request staff conduct a bi-annual short-term rental program update, including the number of short-term rentals, compliance data, and progress of other implementation measures.
2. The City Council request staff provide a one-year post-adoption review of program implementation and impact.

Number of Vacation Rentals

3. The City Council considers implementing a cap limiting the total number of permitted vacation rental homes to two percent (2%) of the total number of households in Newberg.

Vacation Rental Home Process

4. The City Council considers amending *Newberg Municipal Code 15.305.020 Zoning use table – Use districts* to indicate vacation rental homes as a Special Use (S) in the R-1 Low Density Residential and R-2 Medium Density Residential zoning districts.
5. The City Council considers amending *Newberg Municipal Code 15.445 Special Use Standards* to indicate that vacation rental home land use approvals are not transferrable to subsequent owners or contract purchasers.
6. The City Council considers amending *Newberg Municipal Code 15.445 Special Use Standards* to require vacation rental home permit grantees to provide annual “Good Neighbor” notices to adjacent properties including posted contact information.
7. The City Council considers amending *Newberg Municipal Code 15.445 Special Use Standards* to require short-term rental platforms to collect Transient Lodging Tax.
8. The City Council considers amending *Newberg Municipal Code 15.445 Special Use Standards* to include penalties for noncompliance with Transient Lodging Tax remittance, land use permitting, or business license acquisition to be \$2,000 for the first confirmed offense and \$5,000 for the second confirmed offense of non-compliant operation.
9. The City Council considers implementing a software solution to track operation and compliance of vacation rental homes within the City.
10. The City Council considers directing staff to use the “See-Click-Fix” app to track complaints from neighbors, in lieu of routing vacation rental home complaints through the police department.

Grandfathering and Amortization

11. The City Council considers requiring existing vacation rental homes to:

1. Apply for a land use permit within 90 days of the City's adoption of new regulations and
2. Obtain a land use permit, business license, and Transient Lodging Tax registration within one year of the City's adoption of new regulations.

12. The City Council considers allowing continued nonconforming uses without adherence to *Newberg Municipal Code 15.445 Special Use Standards* if in operation prior to December 7, 2023, provided they come into compliance within the amortization policy window (see Recommendation #11).

Attachment 2. City Council Vacation Rental Home Recommendations

CITY COUNCIL RECOMMENDATIONS FOR CHANGES TO VACATION RENTAL HOME REGULATIONS AND OPERATIONS

WORK AREA	TOPIC	POLICY CHANGES	OPERATIONAL CHANGES
1. Conduct a bi-annual short-term rental program update, including the number of short-term rentals, compliance data, and progress of other implementation measures.	Reporting		X
2. Provide a one-year post-adoption review of program implementation and impact.	Reporting		X
3. Consider implementing a cap limiting the total number of permitted vacation rental homes to two percent (2%) of the total number of households in Newberg.	Process & Operations	X	
4. Consider amending Newberg Municipal Code 15.305.020 Zoning Use Table – Use Districts to indicate vacation rental homes as a Special Use in the Low Density Residential (R-1) and Medium Density Residential (R-2) zoning districts.	Process & Operations	X	
5. Consider amending Newberg Municipal Code 15.445 Special Use Standards to indicate that vacation rental home land use approvals are not transferrable to subsequent owners or contract purchasers.	Process & Operations	X	
6. Consider amending Newberg Municipal Code 15.445 Special Use Standards to require vacation rental home permit grantees to provide annual “Good Neighbor” notices to adjacent properties including posted contact information.	Process & Operations	X	X
7. Consider amending Newberg Municipal Code 15.445 Special Use Standards to require short-term rental platforms to collect Transient Lodging Tax on behalf of operators for remittance to the City of Newberg.	Compliance & Enforcement	X	X
8. Consider amending Newberg Municipal Code 15.445 Special Use Standards to include penalties for noncompliance with Transient Lodging Tax remittance, land use permitting, or business license acquisition to be \$2,000 for the first confirmed offense and \$5,000 for the second confirmed offense of non-compliant operation.	Compliance & Enforcement	X	
9. Consider implementing a software solution to track operation and compliance of vacation rental homes within the City.	Compliance & Enforcement		X
10. Consider use of the “See-Click-Fix” app to track complaints from neighbors, in lieu of routing vacation rental home complaints through the police department.	Compliance & Enforcement		X
11. Consider requiring existing vacation rental homes to: <ul style="list-style-type: none"> a. Apply for a land use permit within 90 days of the City’s adoption of new regulations and b. Obtain a land use permit, business license, and Transient Lodging Tax registration within one year of the City’s adoption of new regulations. 	Grandfathering & Amortization	X	
12. Consider allowing continued nonconforming uses without adherence to Newberg Municipal Code 15.445 Special Use Standards if in operation prior to December 7, 2023, provided they come into compliance within the amortization policy window (see #11).	Grandfathering & Amortization	X	
13. Engage with the public regarding possible changes to vacation rental home regulations.	Community Engagement	X	X

COMMUNITY ENGAGEMENT SUMMARY REPORT

Vacation Rental Home Regulations Update



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Introduction to Project Objectives and Project Scope of Work

The City of Newberg's Vacation Rental Home Regulations Update includes three overall project objectives that call for:

Objective 1. Grow Tourism Responsibly

Leverage opportunities at the City of Newberg to foster growth in tourism while minimizing conflicts between the City's residents and visitors.

Objective 2. Improve Compliance Rates

Implement operational changes and update local regulations that improve compliance rates for permitting, business licensing, and transient lodging tax remittances.

Objective 3. Improve Knowledge of Vacation Rental Home Operations

Improve the understanding of local vacation rental activities and remain responsive to community needs relating to them.

The project includes a scope of work broken into six primary work areas including:

Task 1: Initiation included project kick-off with the Newberg City Council and Planning Commission.

Task 2: Community Engagement launched public outreach to the community and included multiple methods of obtaining community input on the project.

Task 3: Policy Concept Development will act as a check-in with the City Council regarding initial recommendations, public input received, and clarification on key decisions affecting local regulations.

Task 4: Code Drafting will focus on drafting new language for the City's Development Code (Newberg Municipal Code, Title 15) and other regulations as needed.

Task 5: Legislative Action will begin the process of public hearings related to adoption of new or amended regulations.

Task 6: Operational Policy Changes includes operational changes related to City Council direction including those related to new monitoring software, business license procedure updates, and operationalizing of regulatory changes.

This report focuses on Task 2 (Community Engagement). Specially, the report shares the events and materials used to communicate with the public as well as the results of engagement activities that were conducted from in November and December 2024.

Public Engagement Plan

Engagement Issues & Prompts

In preparing to conduct outreach and engagement materials that built on the overall project objectives, staff used the following problem statements and prompts with the public:

Issue Areas for Project

LOW COMPLIANCE RATES	NUISANCE CONCERNS	HOUSING AVAILABILITY	NEIGHBORHOOD CONNECTIONS
Data indicates that some VRH operators are failing to follow permit requirements, and/or pay their fair share of required Transient Lodging Taxes.	Residents have repeatedly expressed concerns that VRH's will result in neighborhood impacts such as increased traffic, noise, and other nuisances.	Changing housing from residential use to visitation changes the amount of housing available to residents for long-term housing.	Residents repeatedly expressed concerns that the change of residents to visitors will impact their ability to have neighbor-to-neighbor connections and sense of place.

Community Engagement Prompts for Participants

UNDERSTAND THE RULES FOR VACATION RENTAL HOMES	SHARE INITIAL IDEAS FOR CHANGE	IDENTIFY THE PUBLIC'S PREFERRED ALTERNATIVES	UNDERSTAND & CONSIDER OPERATOR FEASIBILITY
Help residents, operators, and interested parties learn about the existing regulations for vacation rental homes in Newberg.	Share the City Council's initial recommendations for changes to vacation rental homes.	Gather input from interested parties on their preferred alternative(s) for future regulations of vacation rental homes.	Understand how proposed recommendations or alternatives could impact the ability of vacation rental home operators to conduct or continue activities

Community Outreach and Events

- **City Council Listening Session:** On August 22, 2024, Newberg City Councilors and the Mayor hosted a community listening session which introduced issues related to vacation rental homes and invited public comments related to the topic.
- **Joint City Council/Planning Commission Work Session**
 - Purpose: Review project scope of work. Provide an opportunity for City Council and Planning Commission members to communicate past interaction with the public and thoughts on the City's current vacation rental home regulation, implementation, and initial policy recommendations.

- *Presented Information: Vacation Rental Home Regulation Update Scope of Work & Existing Vacation Rental Home Conditions*
- Discussion Focus Areas:
 - Communicate Planning Commission interaction with applicant and public commenters in review of Conditional Use Permits.
 - Discuss impacts of vacation rental homes on livability in Newberg.
 - Discuss the benefits/challenges of VRH in Newberg
 - Discuss broad recommendation areas.
- November 2024 – In Person Community Open House
 - Purpose: Receive feedback on impacts of vacation rental homes in Newberg neighborhoods and the proposed types of regulation changes.
 - *Presented Information: Current (Rental Scape) data on VRHs, Existing Regulation and Policies, (brief) overview of potential regulation changes*
 - Activity:
 - Comment boards/dot surveying for categories of regulation (identified in white paper/ad hoc recommendations)
- November 2024 – Virtual Community Open House
 - Purpose: Receive feedback on impacts of vacation rental homes in Newberg neighborhoods and the proposed types of regulation changes.
 - *Presented Information: Current (Rental Scape) data on VRHs, Existing Regulation and Policies, (brief) overview of potential regulation changes*
 - Activity:
 - Miro boards for categories of regulation (identified in white paper/ad hoc recommendations)
- December 2024 – Vacation Rental Home Operators Forum (in-person)
 - Purpose: Identify operational practices and impacts for operators and receive feedback on implementation of potential policy updates.
 - *Presented Information: Recent developments and data on VRHs in Newberg, Proposed operational policy updates*
 - Activity:
 - Discussion of livability impacts and operators’ perspective.
 - Preferred operational updates, suggestions for compliance promotion
 - Are some of these fixes actually fixes, are they realistic to maintain?

Ongoing Activities and Tools

- Online Public Input Form, form to be aligned with outreach event activity questions and available only during the *Task 2. Community Engagement* portion of the project.

Analysis of Public Engagement Results

Public Open Houses

The public open houses included two focus areas – an education station and input station. The education station provided an overview of the project, the City’s current policy and presence of vacation rentals in Newberg, and recommended policies (images of the educational posters are included in Appendix B). The content included:

- Why is Newberg changing rules for vacation rentals and why is the City asking residents about vacation rental homes?
- Key terms, permit types, development standards, and other requirements for vacation rental home approval in Newberg.
- Where vacation rental homes can be permitted, and the processes required for approval in different zoning districts.
- Where are vacation rental homes in Newberg now? What are the permitting and compliance trends for existing vacation rental homes?
- An overview of the vacation rental home policy discussion in Newberg, including a timeline of events and staff presentations, and the project scope for the vacation rental home policy update.
- The list of City Council recommendations for changes to vacation rental home regulations and operations.

The input requested from the public focused on four major policy questions building on the recommendations from the Planning Commission and Short-Term Rental Ad Hoc Committee:

1. How should Newberg limit the overall number of vacation rental homes across the city?
2. What process should vacation rental homes be required to undergo to be approved?
3. How long should an approved vacation rental home permit be valid for?
4. What outreach to neighbors should vacation rental home operators be required to conduct?

The input station provided attendees with an option to rate how strongly they supported or disliked the current policy or each policy option that had been considered by the Planning Commission or Short-Term Rental Ad Hoc committee, or provide additional options. The City also published an online survey with the same education information and input questionnaire.

The City also held an open house focused on vacation rental home operators, looking to gauge the impact of operational and rental management policy recommendations. This discussion was a group discussion with City staff following an opportunity to review the education information posters. The focus areas included Transient Lodging Tax collection, penalties for noncompliance, tracking, reporting, and communicating complaints, grandfathering and amortization of existing nonconforming rentals, and what should constitute an active user of rental permit.

Approximately 85 responses were collected to the input station questions across the open houses and online survey. Table 1 indicates the engagement breakdown by event type.

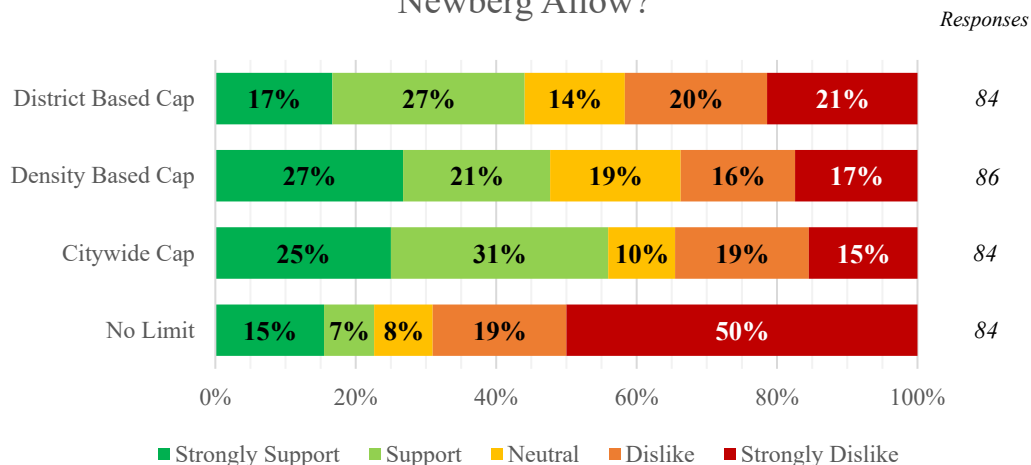
Table 1. Engagement Summary

Event	Attendees/Respondents
Open House	11
Operator Open House	10
Virtual Open House	3
Survey	70
<i>Total</i>	<i>94</i>

Input Station Responses

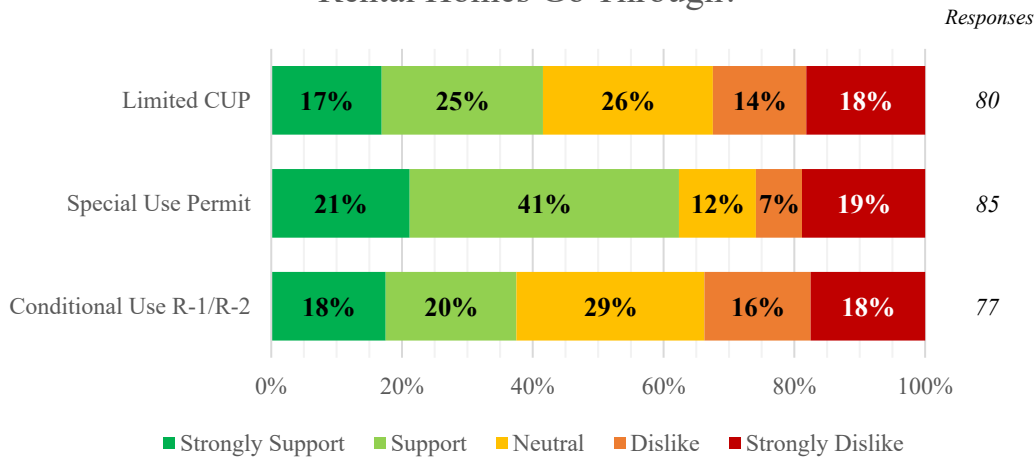
The public indicated strong support for regulating how many vacation rentals should be permitted in Newberg. As shown in Figure 1, approximately 70 percent of respondents disliked or strongly disliked the current policy not limiting the number of rentals that can be permitted. Over 50 percent supported a citywide cap, the recommended policy from the Short-Term Rental Ad Hoc Committee and City Council, while just under 50 percent supported a density-based or district-based cap. In addition, members of the public also suggested additional options of an ownership/operator cap or considering different densities in different zoning districts or areas of the City.

Figure 1. How Many Vacation Rental Homes Should Newberg Allow?



A majority of the respondents also supported changing the approval process for vacation rental homes from the current split pathway (Type III Conditional Use Permit in R-1 and R-2 zoning districts and Type II Special Use Permit in other permitted zoning districts) to a Special Use Permit for all vacation rental homes, approximately 62 percent, as shown in Figure 2. This would limit the vacation rental applications being elevated to the Planning Commission to those appealed. The Type II Special Use Permit requires public notice to neighbors within 500 feet, but approval criteria are limited to the Special Use Standards for vacation rental homes and a decision is made by the Community Development Director.

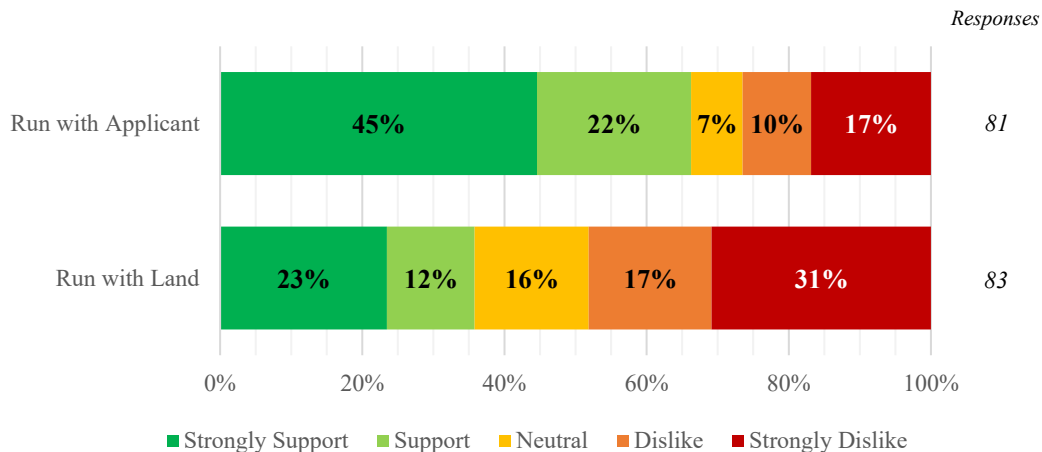
Figure 2. What Approval Process Should Vacation Rental Homes Go Through?



Online survey respondents who indicated support for limited Conditional Uses provided suggestions for potential scenarios which might require a Conditional Use Permit if the “Limited CUP” policy was selected, including considering density of vacation rentals or proximity to schools, daycares, or senior living facilities.

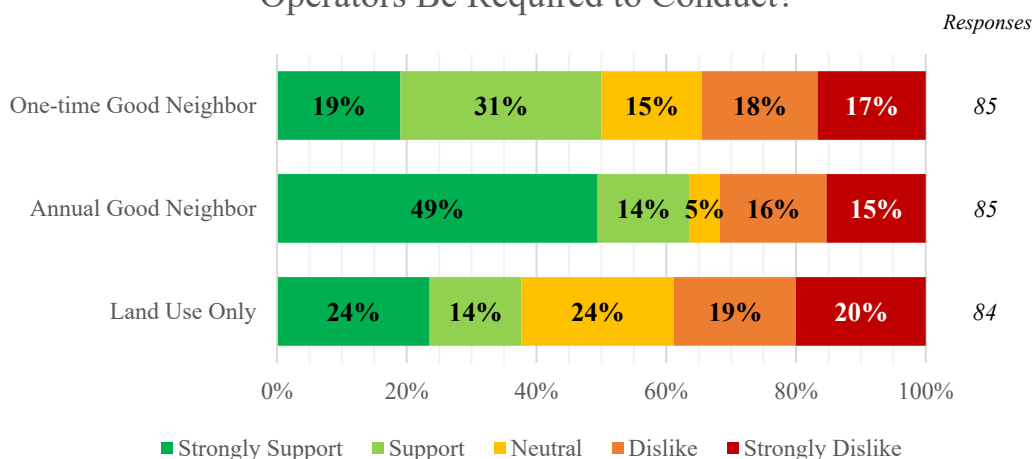
Approximately two thirds of respondents indicated that vacation rental homes should “run with the Applicant” instead of with the property that the approved rental is located on (See Figure 3). Currently, only some vacation rental permits “run with the land,” when a rental is approved in an R-1 or R-2 zoning district and require a Conditional Use Permit, which are transferable to subsequent owners or contract purchasers.

Figure 3. How Long Should Vacation Rental Home Permits Be Valid For?



The public also responded that they supported increased noticing requirements for approved vacation rental homes. As shown in Figure 4, just under 40 percent supported maintaining the current policy of only requiring noticing of the land use approval process, which requires posted notice on the site and mailed notice to properties within 500 feet when an application is received. 50 percent of respondents indicated supporting an additional one-time Good Neighbor notice which could include contact information, regulations etc. to properties around the approved rental. Just under 65 percent indicated that they supported or strongly supported an annual Good Neighbor notice requirement.

Figure 4. What Noticing Should Vacation Rental Home Operators Be Required to Conduct?



Vacation rental home operators also provided additional feedback on policy changes that could impact their rental operations and ongoing interaction with the City to maintain compliance.

- *Transient Lodging Tax Collection:* Recommended revisions/review of the TLT collection form, identifying types of payments submitted by what type of operator or platform to improve accuracy in reporting. Raised concerns about potential issues with platforms (i.e. AirBnB) remitting TLT resulting in lump sum payments that cannot be attributed to addresses and possible limitations in platform reporting to operators when TLT payments have been made. Raised the possibility of the City providing platforms with the TLT registration form upon registration with the platform.
- *Penalties for Non-compliance:* Recommended that any unpaid TLT be required in addition to a penalty for non-compliant operations. Noted that when new regulations are in place, adequate publication by the City of requirements will be needed. Suggested a “first strike” notification and time period for reconciliation before penalties are applied. Consider a “new home FAQ” or information sheet for property owners of vacation rental home requirements that could be issued when city services are connected or initiated for a new property owner.

- *Tracking, Reporting, and Communicating Complaints:* An app like See, Click, Fix may be an option for ongoing issues, but would require publication to ensure people know to use the app. Good neighbor notifications could be a preferred first line response of how to address issues with a rental in your area. Repeated good neighbor notices may address house turnover and assisting neighbors with knowing where/how to complain. Concern raised that forcing the public into one complaints channel does not seem effective. Suggested multiple options based on the situation – who to contact when and at what level of severity.
- *Amortization and Grandfathering of Non-conforming use:* 90-day recommended period may be too long to allow people to submit a land use permit. Consider temporary grandfathering only, should be on the amortization schedule (could be 2-5 years). Observed that the duration of a VRH is 4.5 years, could consider trends to set the compliance timetable.
- *What should be considered an active user of a VRH permit?:* Suggested associating activity with TLT remittances, is equivalent to effectuating the permit. Keep the process simple, and tie to annual permit and licensing requirements.

Appendix A. City Council Listening Session Results

Listening Session Minutes



**City Council
Short Term Rental Listening Session Minutes
August 22, 2024
Newberg Public Safety Building 401 E. Third Street
Denise Bacon Community Room**

1. CALL TO ORDER

The meeting was called to order at 7:05pm.

2. ROLL CALL

Councilors Present: Mayor Bill Rosacker, Elise Yarnell Hollamon, Robyn Wheatly, Derek Carmon

Staff Present: Will Worthey, Rachel Thomas, Emily Salsbury

3. PLEDGE OF ALLEGIANCE

4. INTRODUCTION OF TOPIC

City Manager Worthey introduced the topic including the current state of short-term rentals in the city, regulations, and statistics about existing rentals.

5. PUBLIC COMMENTS

Public comments were received in writing and verbally. The following is a summary of the verbal comments.

Michelle Lipka

Homeowner responsibility is not to create affordable housing or college housing. There is a need for tourism.

Short-term rental hosts have a stake in the community and provide more connection to visitors/tourists to keep economic interest vested in the community.

Mid-term vs Short term rental, consider all of them.

Jeri Turgusen

Parking creates issue for other residents, illegal parking.

House parties create a change from the norm in keeping peace on the street. Transient neighborhood, less connection.

John Laney

Short term rental owner.

Short term rentals create options for people who are regularly stopping into Newberg but aren't at home all the time.

Elizabeth Gann

Sees Airbnb's popping up all over the place. Neighbors aren't bad when they're there, but the neighborhood doesn't feel like a community anymore.

Density of Airbnb's pushes out the community feel that Newberg has, especially on specific street (Sherman and College).

Protect livability.

Unnamed

Lives in hot zone. Surrounded by rentals.

Taxes? TLT vs property taxes, people who aren't running under compliance should be. Owns a short-term rental.

Numbers are out of date.

Andrew Turner- Valley wine merchants Short-term Rental owner on First Street.

Rule followers want more enforcement for regulations. Host responsibility important.

Provide custom experience to renters. Balance is key.

Elise Prayzitch

Resident of Friendsview.

Not a short-term rental owner.

Where does the workforce live? Workforce housing is being affected by short-term rentals.

Megan Carda

Lifestyle Properties Vacation rentals. Proponent of regulations.

Grew up in Dundee but deeply connected to Newberg. Worked at Izzy's.

The Allison changed everything for the hospitality industry, helps keep people in Newberg instead of going to Portland.

Spill over from the Allison comes to vacation rentals, create great consistent jobs. Regulations need to be balanced, they can kill the industry if they are too strict.

Deaneen Zackson

Short-term rental owner.

Restrictions on number of rentals owned in a community by one individual or restrictions on length of time something can be a rental. Concerned about affordable housing. Concerned with non- locals buying up property for this purpose.

Stan Smith

Owens short term rental outside of city limits. We drive business to the city.

Challenges in neighborhoods might need oversight. Mid-term rentals should be considered.

Jake Keister

What is the actual data behind these feelings? Occupancy rates? Percentage of housing? Job creation from short term rentals. Compliance with taxes.

We need transparency on regulations, want to make sure owners right to prosperity isn't affected by regulations.

Announcement from Rachel Thomas that Board, Committee, and Commission recruitment is beginning soon.

6. ADJOURNMENT

The meeting was adjourned at 8:07.

Comparative Results Table of Written Comments

Approximately 30 people attended the listening session. A small handful provided written testimony only and did not attend the meeting. Most people chose to give verbal and written testimony I have recorded these opinions separately it is important to remember that for most people present they spoke AND handed in a written comment.

WRITTEN COMMENTS

POLICY POSITION	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P	Q	R	S	T	U	V	W	X	Y	Z	1	2	3	4	5	6	7	8	9	10	11	TOTAL (37)	
Opposed to all regulations or supportive generally of STRs							1			1		1	1	1								1					1												7
In favor of light regulation generally				1																1	1			1				1	1		1	1	1		1				10
In favor of light regulation by proximity / density						1		1									1									1		1		1									6
In favor of light regulation by cap						1					1														1					1									4
In favor of preventing large out of town entities from operating STRs (large scale STR volumes)								1	1																										1				3
In favor of regulating the length of time a unit can operate as a STR																																			1				1
In favor of limiting the activities occurring at an STR																												1							1				2
In favor of severely limiting the number of STRs	1	1																1					1																4
Wants to ban STR entirely					1																																		1
Mixed opinions (lists pro's and Con's) or asks for caution			1																1															1			1		4
No opinion or desires more information															1	1																				1			3

Appendix B. Community Open House, Operator Forum, Virtual Open House Posters,
Education Station Posters

Shared during Community Open House, Operator Forum, and Virtual Open House.

WHY IS NEWBERG CHANGING RULES FOR VACATION RENTAL HOMES (VRH)?

LOW COMPLIANCE RATES

Data indicates that some VRH operators are failing to follow permit requirements, and/or pay their fair share of required Transient Lodging Taxes.

NUISANCE CONCERNS

Residents have repeatedly expressed concerns that VRH's will result in neighborhood impacts such as increased traffic, noise, and other nuisances.

HOUSING AVAILABILITY

Changing housing from residential use to visitation changes the amount of housing available to residents for long-term housing.

NEIGHBORHOOD CONNECTIONS

Residents repeatedly expressed concerns that the change of residents to visitors will impact their ability to have neighbor-to-neighbor connections and sense of place.

PROJECT OBJECTIVES

- Leverage opportunities at the City of Newberg to foster growth in tourism while minimizing conflicts between the City's residents and visitors.

Grow Tourism Responsibly



- Implement operational changes and update local regulations that improve compliance rates for permitting, business licensing, and transient lodging tax remittances.

Improve Compliance Rates



- Improve the understanding of local vacation rental activities and remain responsive community needs relating to them.


Improve Knowledge of Vacation Rental Home Operations



WHY IS THE CITY ASKING RESIDENTS ABOUT VACATION RENTAL HOMES?


- Help residents, operators, and interested parties learn about the existing regulations for vacation rental homes in Newberg.

Understand the Rules for Vacation Rental Homes




- Share the City Council's initial recommendations for changes to vacation rental homes.

Share Initial Ideas for Change




- Gather input from interested parties on their preferred alternative(s) for future regulations of vacation rental homes.

Identify the Public's Preferred Alternatives



- Understand how proposed recommendations or alternatives could impact the ability of vacation rental home operators to conduct or continue activities.

Understand Consider Operator Feasibility



WHAT IS A “VACATION RENTAL HOME”?





KEY TERMS

VACATION RENTAL HOME	BED & BREAKFAST	HOTELS AND MOTELS
<ul style="list-style-type: none">A single-family dwelling unit that is occupied for periods of less than 30 days or is otherwise available available for use or rent for occupancy for periods of less than 30 days.	<ul style="list-style-type: none">A single-family dwelling occupied by an on-site manager in which sleeping units are provided for periods of less than 30 days.	<ul style="list-style-type: none">A structure with sleeping units or dwelling units rented or occupied for periods of less than 30 days.



PERMIT TYPES

<ul style="list-style-type: none">Require public noticing and are approved by the Newberg Planning Commission.Can be appealed to the City Council.Required in R-1 and R-2 Zones	<ul style="list-style-type: none">Require public noticing and are approved administratively only if the application meets the City’s adopted criteria.May be appealed to the City’s Planning CommissionRequired in R-3, R-4, RP, M-E zones and all commercial (C) zones
CONDITIONAL USE PERMIT 	SPECIAL USE PERMIT 

STANDARDS

 <div>BUILDING TYPE<ul style="list-style-type: none">Only allowed in single-family dwellings</div>	 <div>PARKING REQUIRED<ul style="list-style-type: none">Must provide 2 off-street parking spaces</div>
 <div>MAXIMUM CAPACITY<ul style="list-style-type: none">May have up to 2 occupants per bedroom</div>	 <div>PROPERTY MAINTENANCE<ul style="list-style-type: none">Must provide regular refuse service</div>

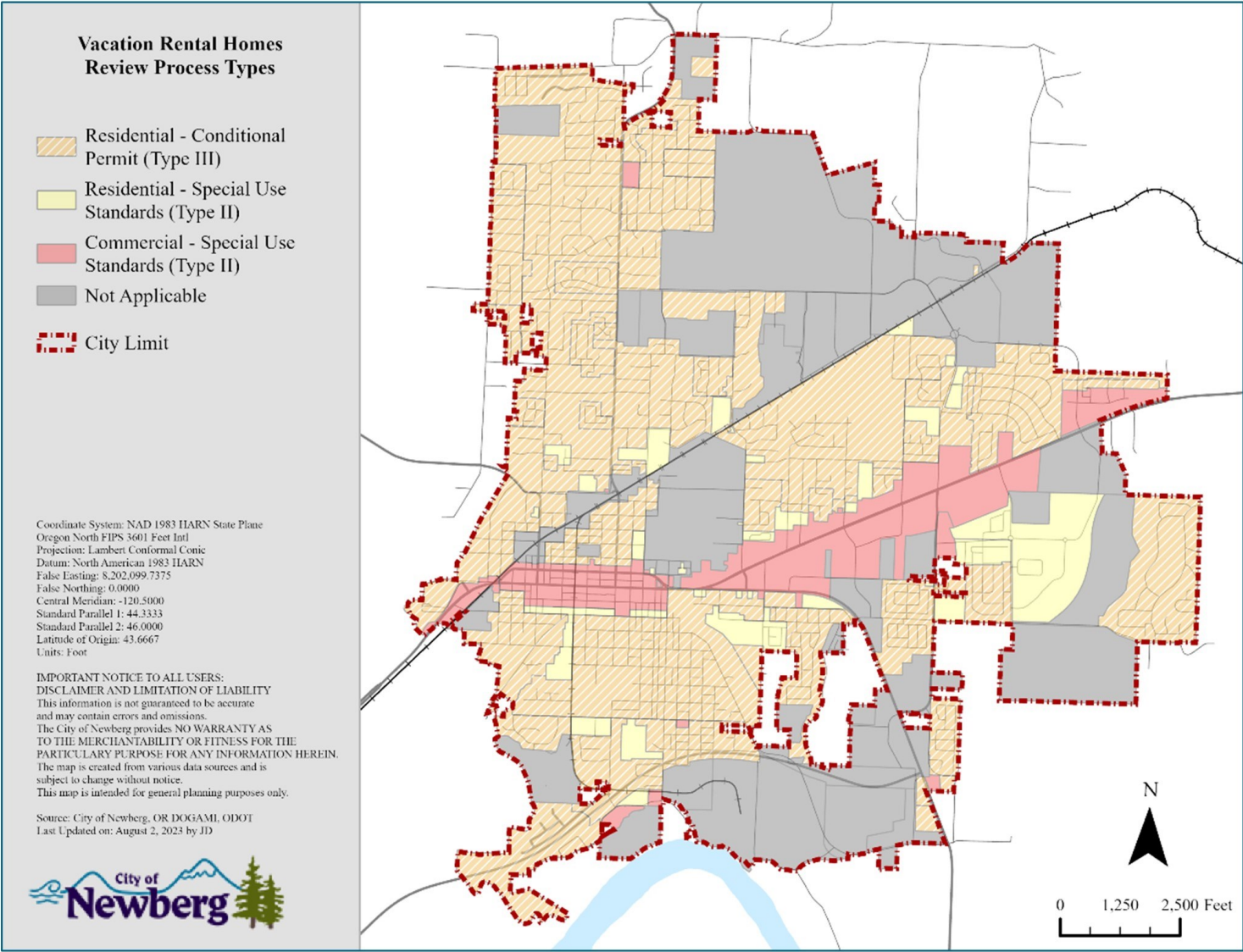
OTHER REQUIREMENTS

<ul style="list-style-type: none">All VRH’s, hotels, motels, and bed & breakfasts are required to pay a Transient Lodging Tax (TLT) for each visitor that stays with them.In 2023, the City collected \$1.4M in TLT, approximately 6.6% was estimated to be from VRH’s.	<ul style="list-style-type: none">All businesses, including VRH’s, are required to obtain a business license annually.
TRANSIENT LODGING TAX 	BUSINESS LICENSE 

WHERE ARE VACATION RENTAL HOMES ALLOWED?

VRH LOCATIONS

RESIDENTIAL AREAS	COMMERCIAL AREAS	OTHER AREAS
<ul style="list-style-type: none">• Generally allowed in most residential areas.• Allowed with a Conditional Use Permit in the R-1 and R-2 Zones• Allowed with a Special Use Permit in R-3, R-4, and R-P Zones	<ul style="list-style-type: none">• Generally allowed in most residential areas.• Allowed with a Special Use Permit in C-1, C-2, C-3, and C-4 areas.• Downtown is primarily C-3 zone, and most other commercial areas in the City are zoned C-2.	<ul style="list-style-type: none">• Prohibited in most Industrial Zones which tend to include warehouses, manufacturing and similar uses.• Prohibited in Community Facility and Institutional Zones which tend to include campuses, community facilities, parks, and similar activities.



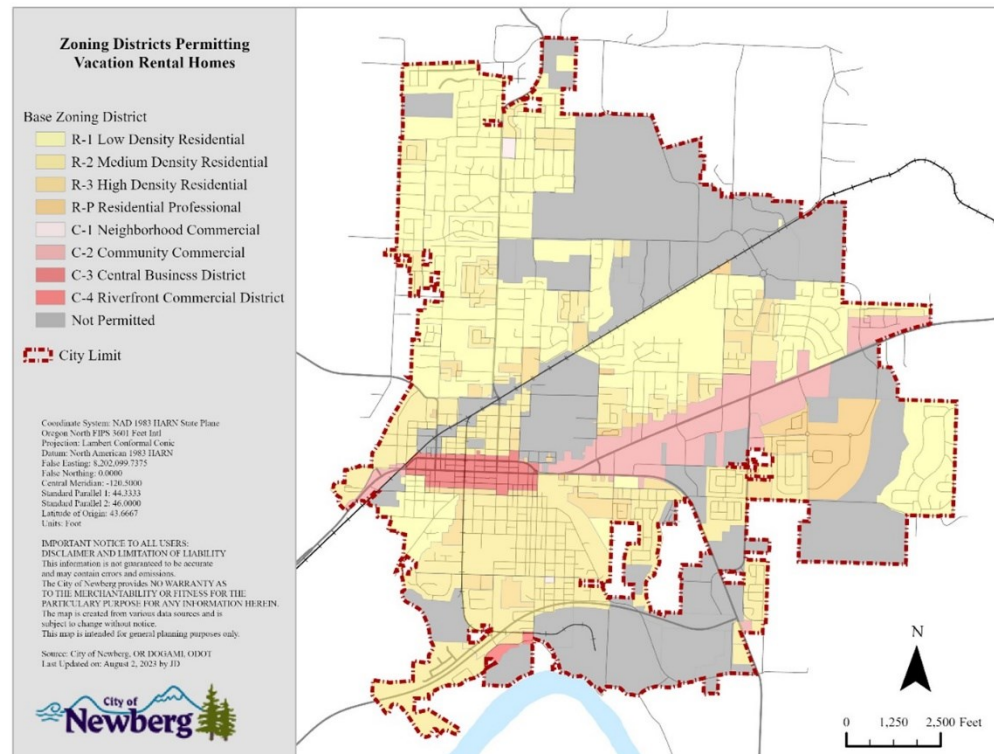
WHERE DO WE HAVE VACATION RENTALS NOW?

WHY DOES ZONING MATTER?

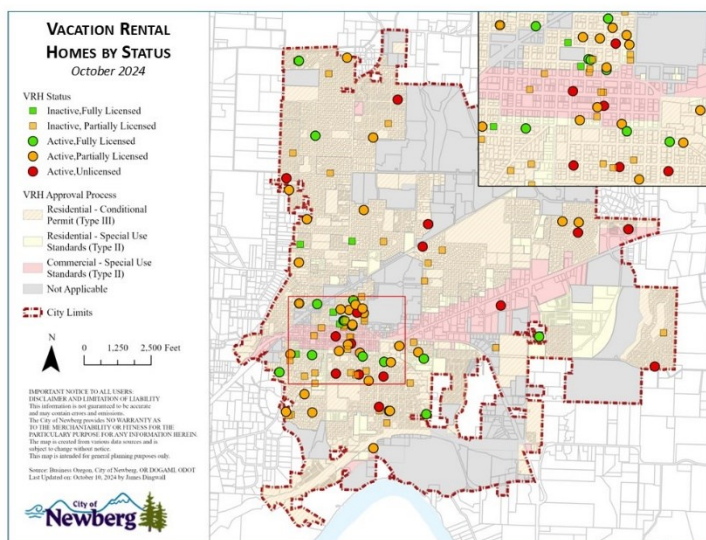
All properties within the City of Newberg have a *Zoning District* which correlates to what activities may occur on that property. In general, zoning districts can be:

- **Residential** including R-1, R-2, R-3, and R-P;
- **Commercial** including C-1, C-2, C-3, and C-4;
- **Industrial** including M-1, M-2, M-3, and M-E zones; or
- **Institutional** including the I and CF zones.

Zoning districts are used to limit conflict between neighboring properties and plan for future growth as Newberg determines the best places to grow in the future.



EXISTING DATA FOR VACATION RENTAL HOME LOCATIONS & ACTIVITIES

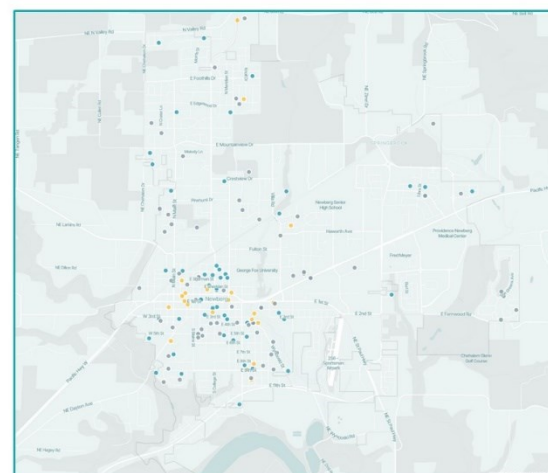


The City's past and recent understanding of VRH activities has been based exclusively on City data limited to:

- Land use permit approvals for conditional and special use permits;
- Annual business license registrations and renewals; and
- Transient lodging tax registrations and payments.

This past data has failed to provide information about operators who may be operating without any of the required permits, fee payments, or other requirements.

NEW DATA FOR VACATION RENTAL HOME LOCATIONS & ACTIVITIES



Rentalscape

In October 2024, the City began use a new software called "Rentalscape" which is designed to enhance identification and monitoring of vacation rental activities in Newberg.

New data from recent operational changes will identify vacation rental home listings across multiple hosting platforms such as AirBnB, VRBO, Flipkey and other platforms. The new tool will:

- Identify Evaluate properties, listings, and booked dates;
- Support identification of registered and non-compliant VRH operations;
- Estimate anticipated occupancy, operator revenue, and Transient Lodging Tax revenue.

Vacation Rental Home Regulations Update



VACATION RENTAL HOMES BY THE NUMBERS

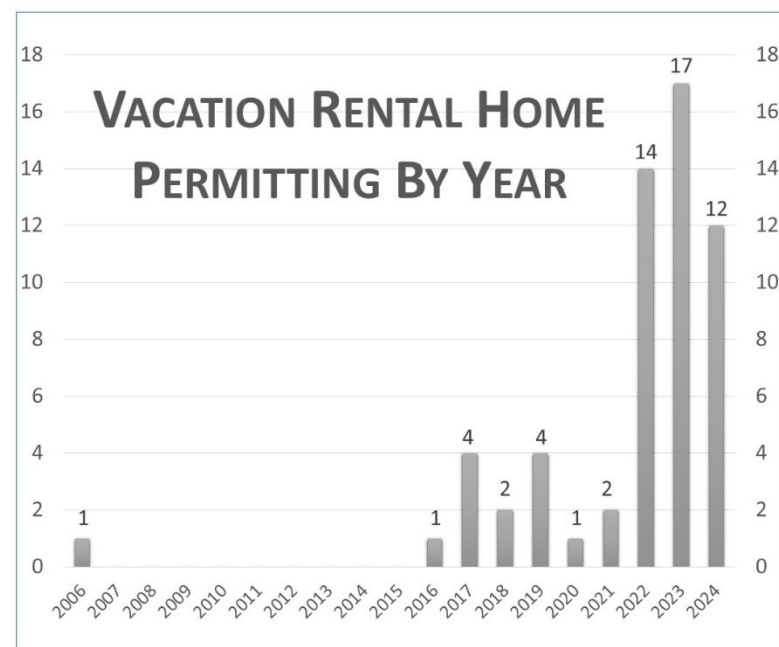
REQUIREMENTS

All Vacation Rental Homes in Newberg are required to comply with three basic obligations:

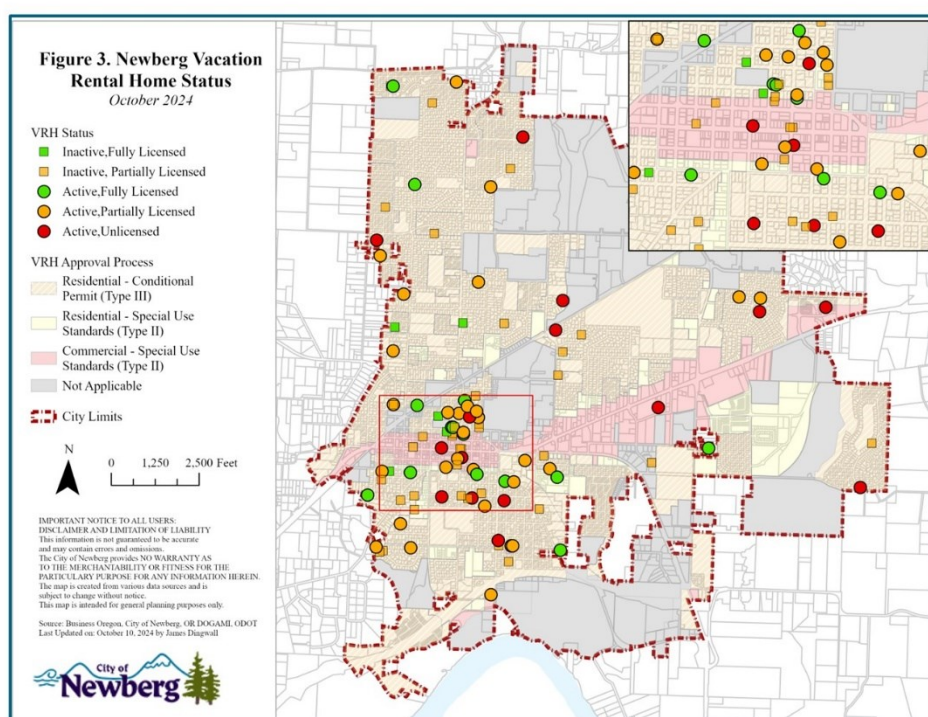
- 1. LAND USE APPROVAL:** One-time permitting approval is required. Depending on where the VRH is located, a **CONDITIONAL USE PERMIT** or **SPECIAL USE PERMIT** must be obtained before beginning operation. Records indicate that **58** VRH's have obtained the required land use permit or are in the process of obtaining one at this time.
- 2. BUSINESS LICENSE REQUIRED:** Annually, **all businesses** in the City must obtain a business licenses. For vacation rentals, this is an ongoing requirement that must occur each year. For the purposes of this requirement, a business means "professions, trades, occupations, shops and every kind of calling carried on for profit or livelihood." Records indicate that **30** VRH's currently have their required business license.
- 3. TRANSIENT LODGING TAX PAYMENT:** All operator renting a structure or portion of a structure to one or more individuals for a period of **30 days or less** for dwelling, lodging and/or sleeping is required to pay a tax based on occupancy of 9% of the rent paid. This does not include long-term rentals which are more than 30 days in duration. Records indicate that **64** VRH's have registered to pay the required transient lodging tax.

NUMBR & TRENDS

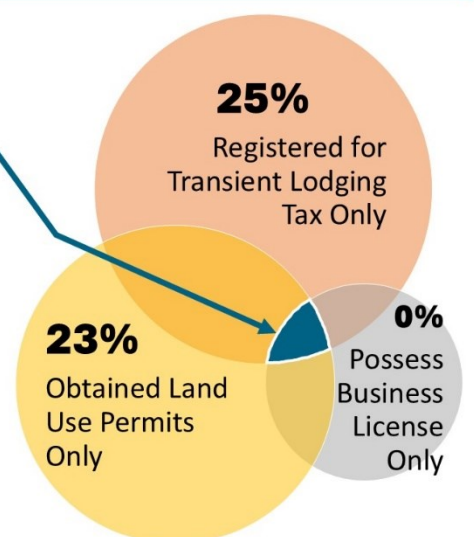
The City of Newberg initially adopted VRH regulations in 2013. Shortly after 2020, the City began to experience growth in VRH activities with new permit numbers continuing to grow in 2022-2024. City records indicate 87 VRH's are operating in Newberg.



COMPLIANCE



Only **23 % (20 of 87)** of VRH's comply with all City requirements

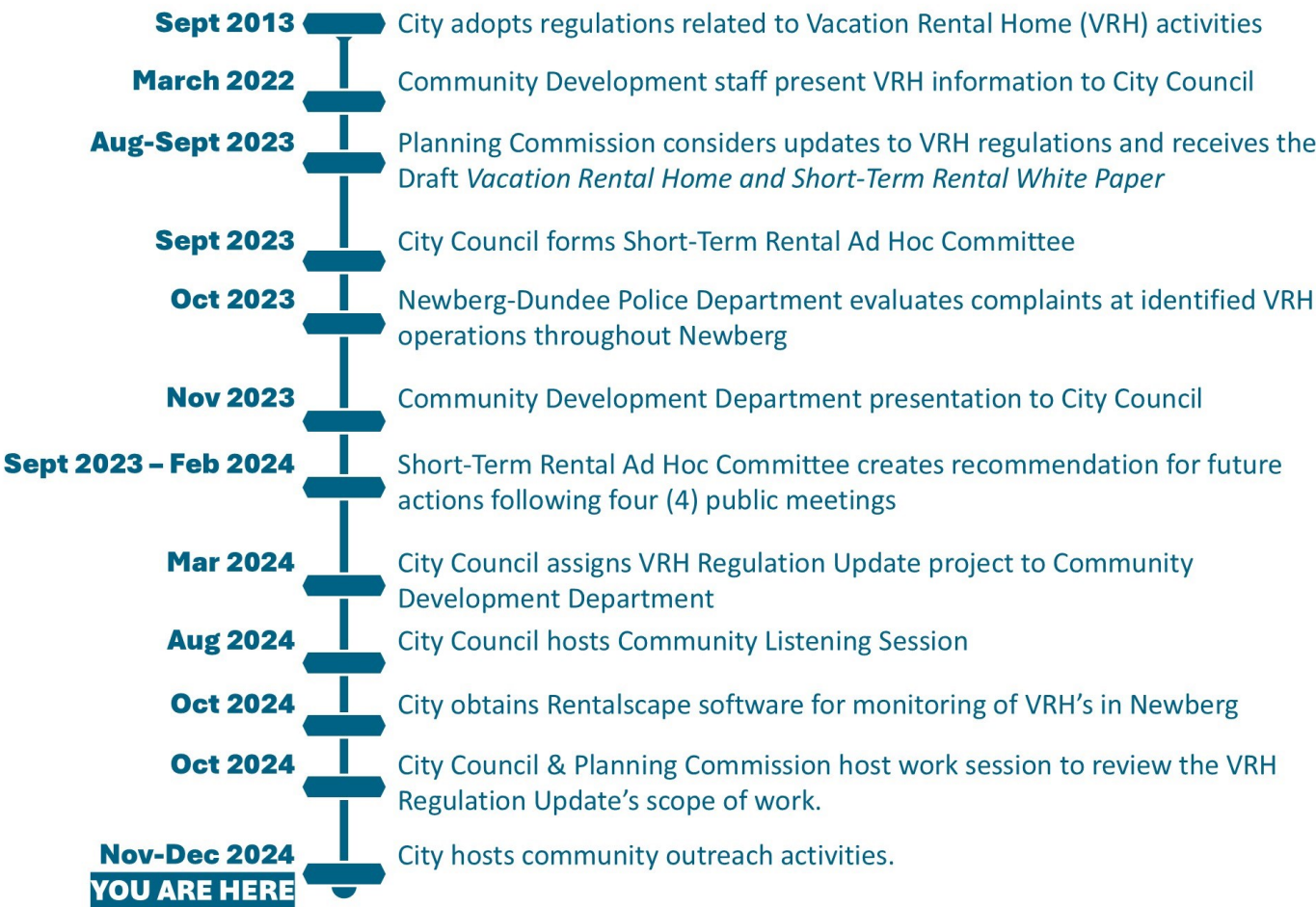


Vacation Rental Home Regulations Update



WHAT’S BEEN TALKED ABOUT? WHAT’S HAPPENING NEXT?

VACATION RENTAL TIMELINE



PROJECT SCOPE

TASK	TIMELINE	EVENTS AND DELIVERABLES
Task 1: Initiation Kick-off project and confirm project scope of work activities with the City Council.	OCT 2024	<ul style="list-style-type: none">Joint City Council & Planning Commission Kick Off
Task 2: Community Engagement Share project objectives and gather public input related to proposed changes for VRH’s in Newberg.	AUG 2024 - DEC 2024	<ul style="list-style-type: none">City Council Listening Session (Completed August 2024) In-Person & Virtual Open House VRH Operators DiscussionCreate Community Engagement Summary Report
Task 3: Policy Concept Development Communicate findings from community engagement and recommended changes in response to public input.	DEC 2024 - JAN 2025	<ul style="list-style-type: none">City Council Work SessionCreate Policy Concepts Outcomes Report
Task 4: Code Drafting Create code amendments based on City Council direction and public input.	JAN 2025 – APR 2025	<ul style="list-style-type: none">Planning Commission Work Session (2x)Draft Code Language & Staff Report
Task 5: Legislative Action Adopt code amendments following public hearing process.	MAR 2025 – JUNE 2025	<ul style="list-style-type: none">Planning Commission HearingCity Council Work SessionCity Council Hearing (potential 2x)
Task 6: Operational Policy Changes Implement operational changes to how VRH’s are administered and overseen by the City of Newberg.	SEPT 2024 – JUNE 2025	<ul style="list-style-type: none">Launch RentalScape monitoring softwareUpdate business license process with new permitting database (OpenGov) launchImplement operational related to changes in municipal code.

Vacation Rental Home Regulations Update



CITY COUNCIL RECOMMENDATIONS FOR CHANGES TO VACATION RENTAL HOME REGULATIONS AND OPERATIONS

WORK AREA	TOPIC	POLICY CHANGES	OPERATIONAL CHANGES
1. Conduct a bi-annual short-term rental program update, including the number of short-term rentals, compliance data, and progress of other implementation measures.	Reporting		X
2. Provide a one-year post-adoption review of program implementation and impact.	Reporting		X
3. Consider implementing a cap limiting the total number of permitted vacation rental homes to two percent (2%) of the total number of households in Newberg.	Process & Operations	X	
4. Consider amending Newberg Municipal Code 15.305.020 Zoning Use Table – Use Districts to indicate vacation rental homes as a Special Use in the Low Density Residential (R-1) and Medium Density Residential (R-2) zoning districts.	Process & Operations	X	
5. Consider amending Newberg Municipal Code 15.445 Special Use Standards to indicate that vacation rental home land use approvals are not transferrable to subsequent owners or contract purchasers.	Process & Operations	X	
6. Consider amending Newberg Municipal Code 15.445 Special Use Standards to require vacation rental home permit grantees to provide annual “Good Neighbor” notices to adjacent properties including posted contact information.	Process & Operations	X	X
7. Consider amending Newberg Municipal Code 15.445 Special Use Standards to require short-term rental platforms to collect Transient Lodging Tax on behalf of operators for remittance to the City of Newberg.	Compliance & Enforcement	X	X
8. Consider amending Newberg Municipal Code 15.445 Special Use Standards to include penalties for noncompliance with Transient Lodging Tax remittance, land use permitting, or business license acquisition to be \$2,000 for the first confirmed offense and \$5,000 for the second confirmed offense of non-compliant operation.	Compliance & Enforcement	X	
9. Consider implementing a software solution to track operation and compliance of vacation rental homes within the City.	Compliance & Enforcement		X
10. Consider use of the “See-Click-Fix” app to track complaints from neighbors, in lieu of routing vacation rental home complaints through the police department.	Compliance & Enforcement		X
11. Consider requiring existing vacation rental homes to: a. Apply for a land use permit within 90 days of the City’s adoption of new regulations and b. Obtain a land use permit, business license, and Transient Lodging Tax registration within one year of the City’s adoption of new regulations.	Grandfathering & Amortization	X	
12. Consider allowing continued nonconforming uses without adherence to Newberg Municipal Code 15.445 Special Use Standards if in operation prior to December 7, 2023, provided they come into compliance within the amortization policy window (see #11).	Grandfathering & Amortization	X	
13. Engage with the public regarding possible changes to vacation rental home regulations.	Community Engagement	X	X

ISSUE AREAS AND OTHER ALTERNATIVES

The City is seeking input from the public to help determine what rules and regulations will represent the best fit for our community. Residents, VRH operators, and other stakeholders are invited to compare:

- Existing regulations,
- City Council recommended changes to current rules, and
- Other alternatives which have been used elsewhere or should be considered for Newberg.




ISSUE AREA	QUESTIONS FOR CONSIDERATION & PUBLIC INPUT
CITY COUNCIL RECOMMENDATION	
PUBLIC REPORTING & INFORMATION Recommendations #1, #2, & #9	Q: Will the proposed reporting be adequate for maintaining an understanding of VRH’s and their community impacts? Is more or less reporting needed for a high level of community understanding?
NUMBER OF VACATION RENTAL HOMES IN NEWBERG Recommendation #3	Q: Should there be a limit in how many VRH’s are allowed in Newberg? If so, how could such a limit reduce unintended consequences from VRH’s?
PERMITTING PROCESS & PROCEDURES Recommendations #4 & #5	Q: Currently most VRH applications must go to a public hearing at the Planning Commission to receive approval but have relatively objective criteria to meet. Should the City modify its procedures to streamline applications? Q: Once obtained, permits currently “run with the land” which allows a permit to pass from one owner to another owner at a property as long as the activity continues. Is this OK, should this activity “run with the operator” or be modified in some other way?
COMPLIANCE IN VRH OPERATIONS Recommendations #6 & #7	Q: Currently neighbors are notified only during a VRH’s one-time application to operate a vacation rental. Should the City require an annual “Good Neighbor” noticing of adjacent property owners to ensure neighbors have contact information for the VRH?
WHAT ELSE IS THE CITY DOING?	Operational Changes: The City has acquired a new software called “Rentalscape” to enhance its ability to identify and monitor VRH’s across multiple online listing platforms such as AirBNB, VRBO, and FlipKey. Additional Input Opportunities: In addition to the community open houses scheduled for November and December, the City will release an online survey that will be available to the public so that people who missed the open houses can provide early input into the project.

Input Station Posters (In-Person Events)

The below posters were shared during Community Open House and Operator Forum events. Participants were invited to participate via a voting exercise and provided with the opportunity write-in additional concepts or general comments. The results from the Community Open House and Operator Forum are provided in Appendix C and Appendix D respectively.

An alternative format of these posters was created using the *Miro Board* application which is provided in Appendix E.



DO YOU AGREE?

Pick Your Policies!		Strongly Support	Support	Neutral	Dislike	Strongly Dislike
Number of Vacation Rentals	No Limit <i>(Current Policy)</i> The number of vacation rental homes in Newberg is not currently regulated.					
	Citywide Cap <i>(Recommended Policy)</i> Limits the total number of permitted vacation rental homes to two percent (2%) of the total number of households in Newberg. <i>Currently, could allow for up to 189 vacation rental homes based on the U.S. Census Bureau estimate of 9,481 existing households in Newberg. There are an estimated 87 vacation rental homes currently in Newberg.</i>					
	Density-based Cap Limits new vacation rental homes that can be approved to only those occurring to a specified distance way from one another such as 200, 500, 1000 feet of an existing vacation rental home.					
	District-based Cap Creates districts, such as neighborhoods or zoning districts, which allow up to a specific number of vacation rental homes such as “up to 10 in District A.”					
	Other:					
	Other:					
	Other:					

Vacation Rental Home Regulations Update



DO YOU AGREE?



Pick Your Policies!			Strongly Support	Support	Neutral	Dislike	Strongly Dislike
Vacation Rental Registration Process	Conditional Use Permit Required in R-1 and R-2 zones <i>(Current Policy)</i>	Planning Commission hearing required in Low and Medium-Density Residential Districts. A permit is issued by the Community Development Director in High-Density and Commercial zones.					
	Special Use Permit <i>(Recommended Policy)</i>	Requires a permit issued by the Community Development Director in all zones. Permits can be appealed to the Planning Commission.					
	Limited Conditional Use Permit Required	Requires a Planning Commission Hearing for Vacation Rental Homes in certain situations or near sensitive sites (e.g. near schools)					
	<i>If you support this alternatives, where would you want to see conditional use permits required?</i>						
	<i>Other:</i>						
	<i>Other:</i>						
Duration	Runs with the Land <i>(Existing Policy)</i>	Currently, conditional use permits issued for vacation rental homes are transferred to subsequent owners or contract purchasers.					
	Runs with the Applicant <i>(Recommended Policy)</i>	Prohibit new conditional use permits issued for vacation rental homes from transferring to subsequent owners or contract purchasers					
	<i>Other:</i>						

Vacation Rental Home Regulations Update



DO YOU AGREE?



Pick Your Policies!			Strongly Support	Support	Neutral	Dislike	Strongly Dislike
Outreach	Land Use Notice Only <i>(Current Policy)</i>	Require vacation rental home operators to send notices of the land use approval process (Planning Commission Hearing or Special Use Permit).					
	Annual Good Neighbor Notices <i>(Recommended Policy)</i>	Require vacation rental home operators to send notices to neighbors including contact information, regulations, etc. annually in addition to land use notices.					
	One-time Good Neighbor Notices	Require vacation rental home operators to send notices to neighbors including contact information, regulations, etc. upon approval.					
	<i>Other:</i>						

WHAT ARE YOUR THOUGHTS ON VACATION RENTALS IN YOUR NEIGHBORHOOD?

Are there ways vacation rentals are impacting your neighborhood? Do you have any other ideas? Add a sticky note to the poster with your thoughts!

Vacation Rental Home Regulations Update

Operator Discussion Posters

Additional posters were used to facilitate a group discussion during the Operator Forum event. Staff wrote down responses onto these posters. Those results are provided in Appendix X.



TRANSIENT LODGING TAX COLLECTION

RECOMMENDED POLICY: PLATFORM COLLECTS TLT

PENALTIES FOR NONCOMPLIANCE

RECOMMENDED POLICY: \$2,000 FIRST CONFIRMED OFFENSE, \$5,000 SECOND CONFIRMED OFFENSE

Vacation Rental Home Regulations Update



TRACKING, REPORTING, COMMUNICATING COMPLAINTS

RECOMMENDED POLICY: USE THE SEE, CLICK, FIX APP INSTEAD OF POLICE DEPARTMENT

AMORTIZATION

RECOMMENDED POLICY: APPLY FOR A LAND USE PERMIT WITHIN 90 DAYS OF NEW REGULATIONS, OBTAIN LAND USE, TLT, AND BUSINESS LICENSE WITHIN ONE YEAR.

Vacation Rental Home Regulations Update



GRANDFATHERING

RECOMMENDED POLICY: ALL CONTINUED NONCONFORMING STANDARDS PROVIDED THEY USE THE AMORTIZATION PROCESS

ACTIVE USER

WHAT SHOULD QUALIFY AS AN ACTIVE RENTAL?

Vacation Rental Home Regulations Update

Appendix C. Community Engagement Results

How many vacation rentals should the City allow?						Number of Responses
	Strongly Support	Support	Neutral	Dislike	Strongly Dislike	
No Limit	13	6	7	16	42	84
Citywide Cap	21	26	8	16	13	84
Density Based Cap	23	18	16	14	15	86
District Based Cap	14	23	12	17	18	84

What Process should vacation rental homes go through?						Number of Responses
	Strongly Support	Support	Neutral	Dislike	Strongly Dislike	
Conditional Use R-1/R-2	14	16	23	13	14	80
Special Use Permit	18	35	10	6	16	85
Limited CUP	13	19	20	11	14	77

How long should vacation rental permits be valid for?						Number of Responses
	Strongly Support	Support	Neutral	Dislike	Strongly Dislike	
Run with Land	19	10	13	14	25	81
Run with Applicant	37	18	6	8	14	83

What Process should vacation rental homes go through?						Number of Responses
	Strongly Support	Support	Neutral	Dislike	Strongly Dislike	
Land Use Only	20	12	20	16	17	85
Annual Good Neighbor	42	12	4	14	13	85
One-time Good Neighbor	16	26	13	15	14	84

How many vacation rentals should the City allow?

	Strongly Support	Support	Neutral	Dislike	Strongly Dislike
No Limit	15%	7%	8%	19%	50%
Citywide Cap	25%	31%	10%	19%	15%
Density Based Cap	27%	21%	19%	16%	17%
District Based Cap	17%	27%	14%	20%	21%

What Process should vacation rental homes go through?

	Strongly Support	Support	Neutral	Dislike	Strongly Dislike
Conditional Use R-1/R-2	18%	20%	29%	16%	18%
Special Use Permit	21%	41%	12%	7%	19%
Limited CUP	17%	25%	26%	14%	18%

How long should vacation rental permits be valid for?

	Strongly Support	Support	Neutral	Dislike	Strongly Dislike
Run with Land	23%	12%	16%	17%	31%
Run with Applicant	45%	22%	7%	10%	17%

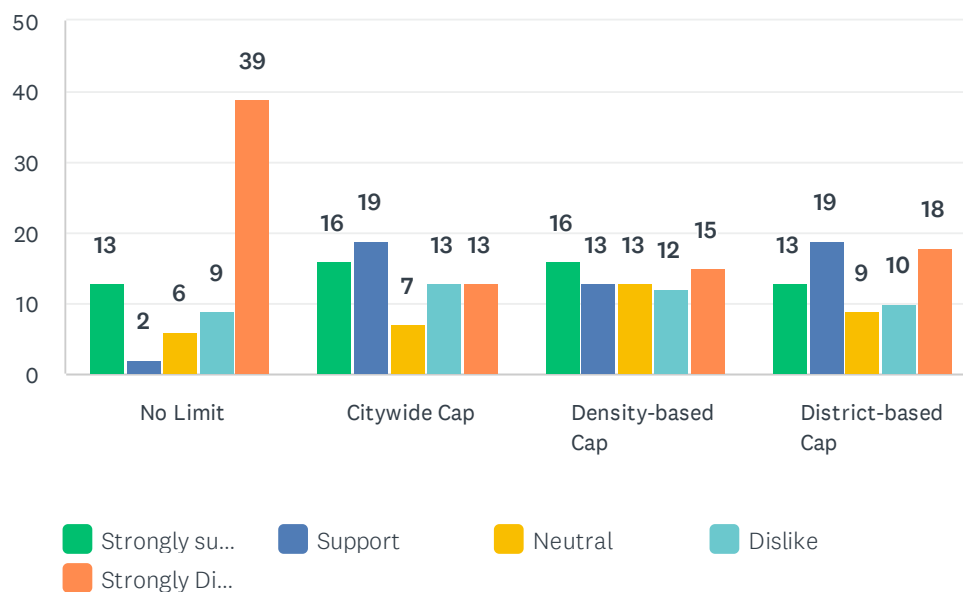
What Process should vacation rental homes go through?

	Strongly Support	Support	Neutral	Dislike	Strongly Dislike
Land Use Only	24%	14%	24%	19%	20%
Annual Good Neighbor	49%	14%	5%	16%	15%
One-time Good Neighbor	19%	31%	15%	18%	17%

Appendix D. Online Questionnaire Sample & Results

Q1 How many vacation rentals should the City allow?

Answered: 70 Skipped: 0



	STRONGLY SUPPORT (1)	SUPPORT (2)	NEUTRAL (3)	DISLIKE (4)	STRONGLY DISLIKE (5)	TOTAL	WEIGHTED AVERAGE
No Limit	18.84% 13	2.90% 2	8.70% 6	13.04% 9	56.52% 39	69	3.86
Citywide Cap	23.53% 16	27.94% 19	10.29% 7	19.12% 13	19.12% 13	68	2.82
Density-based Cap	23.19% 16	18.84% 13	18.84% 13	17.39% 12	21.74% 15	69	2.96
District-based Cap	18.84% 13	27.54% 19	13.04% 9	14.49% 10	26.09% 18	69	3.01

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BASIC STATISTICS					
	MINIMUM	MAXIMUM	MEDIAN	MEAN	STANDARD DEVIATION
No Limit	1.00	5.00	5.00	3.86	1.56
Citywide Cap	1.00	5.00	2.00	2.82	1.46
Density-based Cap	1.00	5.00	3.00	2.96	1.47
District-based Cap	1.00	5.00	3.00	3.01	1.49

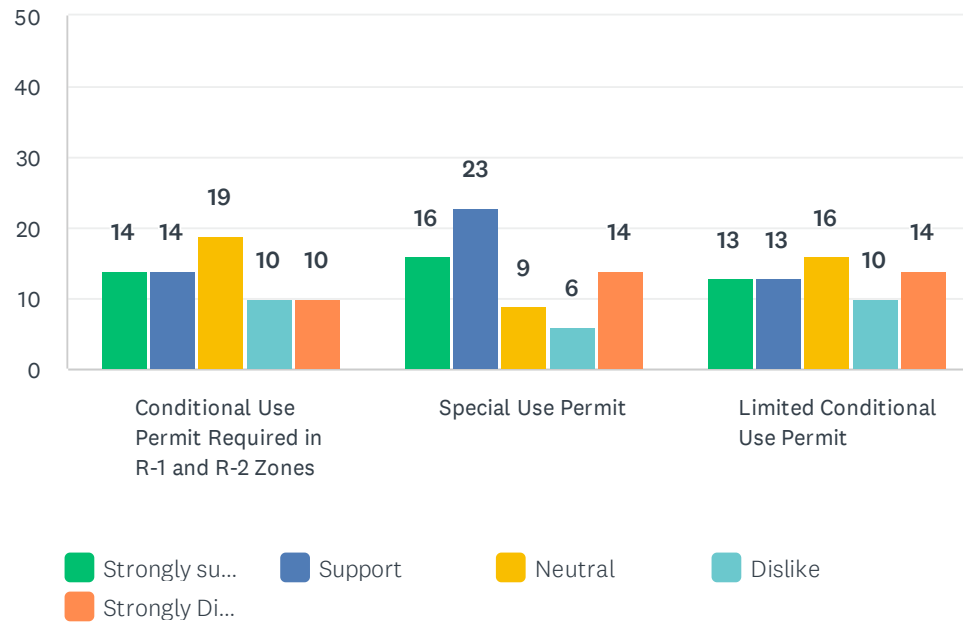
#	HAVE ANOTHER IDEA? PLEASE SPECIFY.	DATE
1	No more vacation rentals. What the heck are hotels for then? This is a community that is based on permanent residents, it's not freaking Sunriver. NO NO NO NO NO NO. You listed the reasons why I am opposed to this below: Low Compliance Rates - Data indicates that some VRH operators are failing to follow permit requirements, and/or pay their fair share of required Transient Lodging Taxes. WHAT THE HELL?!! Nuisance Concerns - Residents have repeatedly expressed concerns that VRH's DO result in neighborhood impacts such as increased traffic, noise, and other nuisances. Housing Availability - Changing housing from residential use to visitation changes the amount of housing available to residents for long-term housing. WE NEED HOMES FOR PEOPLE not a bunch of wine-o types breezing through. Neighborhood Connections - Residents repeatedly expressed concerns that the change of residents to visitors will impact their ability to have neighbor-to-neighbor connections and sense of place. Just a bunch of party people disrupting the peace.	12/15/2024 3:02 PM
2	It should be smaller than 2%. There are already too many.	12/14/2024 2:56 PM
3	All of the above are terrible ideas! You are asking the wrong questions (IMHO)! 1- Please do NOT allow ANY whole house transient rentals in ANY house (primary dwelling unit) in ANY residential zone!!!! Allowing this practice is the primary driver of problems and a huge mistake that create never-ending problems! Only allow transient lodging in ADUs (attached or detached) and only when the OWNER (not a paid manager or renter) occupies the primary dwelling unit and LIVES (full time) ON SITE. 2-In "homes" located in RP, yes you should allow transient lodging of primary dwelling units, as this is a transitional (pseudo-commercial) zone that usually is adjacent to commercial activity. Planner should revisit this RP zone and identify houses that could/should be added to the RP zone (houses that skirt commercial districts.) This RP zone (and/or residences in a commercial zone) should be the ONLY place where transient lodging is allowed with the owner not present!	12/14/2024 9:59 AM
4	Why even allow whole house vacation rentals in residential zones? Would we allow a whole home to become a commercial shop instead of a residential dwelling? Why are we allowing housing stock to be diminished while we are in a housing crisis, and turning residential houses into what are essentially hotels scattered in residential zones? My suggestion: no whole home vacation rentals allowed in Residential zones. Only allow ADUs to be vacation rentals - and have a citywide cap on that number, since we have a housing crisis and need long term dwellings wherever possible. I don't have a problem with short term rentals of dwellings in CR or RP zones. Because those were planned to be commercial type zones.	12/14/2024 9:35 AM
5	The less the better. We have very little housing for rent. If we want more vacation rentals, then build new buildings for them. Stop taking away what little housing there is.	12/14/2024 1:47 AM

City of Newberg Vacation Rental Home Policy Update

6	More green space please!	12/13/2024 11:20 PM
7	Citywide cap @ 1%	12/13/2024 9:48 PM
8	Newberg homes should go to families. No more companies. 87 seems sufficient.	12/13/2024 8:44 PM
9	I don't see how any of these address the concerns listed on the initial slide. To do that, one would need to limit the rentals to the same property where the owner lives, such as a room or ADU on the property.	12/13/2024 8:41 PM
10	No Limit, this way there is competition which brings in quality	11/27/2024 9:36 AM
11	How about the city being in charge of housing for its constituents as opposed to forcing hard-working homeowners to be in charge of that? Do something with zoning to require a percentage of new builds to provide affordable housing on the ground floor of apartment buildings or on upper floors of commercial buildings. And George Fox University should have zero input into this issue. If they don't have enough housing for their students, then they need to build dorms.	11/27/2024 9:25 AM
12	I think certain areas should possibly be allowed to have more vacation rentals... especially downtown Newberg, which does not have any hotels and tourists support the local businesses.	11/26/2024 6:27 PM
13	We should minimize the complexity as much as possible. And the burden to the home-owner should be minimal too, to improve compliance.	11/26/2024 5:01 PM
14	Too much is too much and deteriorates the value of each VHR business. My business is suffering reduction of guests by market flooding...including hotels (new Marriott)	11/21/2024 10:31 AM

Q2 What process should vacation rental homes go through?

Answered: 68 Skipped: 2



	STRONGLY SUPPORT (1)	SUPPORT (2)	NEUTRAL (3)	DISLIKE (4)	STRONGLY DISLIKE (5)	TOTAL	WEIGHTED AVERAGE
Conditional Use Permit Required in R-1 and R-2 Zones	20.90% 14	20.90% 14	28.36% 19	14.93% 10	14.93% 10	67	2.82
Special Use Permit	23.53% 16	33.82% 23	13.24% 9	8.82% 6	20.59% 14	68	2.69
Limited Conditional Use Permit	19.70% 13	19.70% 13	24.24% 16	15.15% 10	21.21% 14	66	2.98

City of Newberg Vacation Rental Home Policy Update

BASIC STATISTICS					
	MINIMUM	MAXIMUM	MEDIAN	MEAN	STANDARD DEVIATION
Conditional Use Permit Required in R-1 and R-2 Zones	1.00	5.00	3.00	2.82	1.33
Special Use Permit	1.00	5.00	2.00	2.69	1.45
Limited Conditional Use Permit	1.00	5.00	3.00	2.98	1.41

#	HAVE ANOTHER IDEA? PLEASE SPECIFY.	DATE
1	This needs to have way more guardrails on than we currently have. They already are circumventing taxes and fees. WTH is up with that? Ya'll would be on my *ss if I didn't pay my fair share.	12/15/2024 3:02 PM
2	Again, you are asking the WRONG QUESTIONS! If you get your permitted use rules correct (as per my above rant) then there should be no need for any of the above permits and you will save massive staff time! DO NOT allow whole-home short-term rental in any residential zone. For whole-home short term rentals in RP (or commercial) zones, yes owner should be required to have state biz license, city biz license and should be registered and paying TLTS!	12/14/2024 9:59 AM
3	Prior to becoming a vacation home the owner should be required to occupy the home for at least 2-years prior to it being eligible for becoming a vacation home. This will prevent corporate buyers from flipping home sales directly to becoming vacation homes. I also think there should be no more than 1 vacation per quarter mile unless a special zoning district exists specifically for vacation homes.	12/13/2024 10:00 PM
4	Airbnb does not ask for this documentation I believe. All parties should be in accordance of what is asked and needed	11/27/2024 9:36 AM
5	Nothing. Stop picking on homeowners.	11/27/2024 9:30 AM
6	Where a dwelling is located, should have no basis on what the owner of said dwelling is allowed to do with the dwelling that they paid for. Especially if it is already owned and you're changing the playing field after they have already spent money purchasing and renovating a property.	11/27/2024 9:25 AM
7	Other business do not have to continuously beg for renewals to continue business. VHR are an investment to start a business & support the community.	11/21/2024 10:31 AM

Q3 If you support the Limited Conditional Use Permit option in question 2, what situations do you think should require a conditional use permit?

Answered: 20 Skipped: 50

#	RESPONSES	DATE
1	Density, neighborhood approval, current availability to either home ownership or places for families to live while renting.	12/15/2024 3:02 PM
2	Within 1000 feet of schools, daycares and senior living facilities.	12/15/2024 1:00 PM
3	All. Neighbors should get to weigh in.	12/14/2024 2:56 PM
4	Near Schools, parks, playgrounds. Amount of available housing in vicinity i.e. low amount available than no permit.	12/14/2024 1:09 PM
5	NONE! Get your permitted code correct and you wont have to deal with all these types of permits.	12/14/2024 9:59 AM
6	Where there already is too high (set a % number) a percentage of homes in a designated mileage range that have been flipped into short term lodging. And perhaps where there have been a certain number of validated code complaints about problems with short term lodging units (noise complaints, parking complaints, trash complaints, illegal drug use complaints).	12/14/2024 9:35 AM
7	Near schools and churches, public places like parks and town facilities.	12/14/2024 8:46 AM
8	Schools, near farm land, areas not near a public transit, near popular recreational areas	12/14/2024 8:09 AM
9	1. Homes in neighborhoods with limited parking. Two spaces is not enough for some of these rental properties already. 2. Near schools 3. Streets with no street parking or very limited. 4. If the occupancy of the residence is more than six guests on any one property. 5. If the property owner plans to change the appearance of the dwelling in a way that disrupts the aesthetics of a neighborhood.	12/14/2024 3:28 AM
10	They shouldn't be allowed in neighborhoods, period. Put them next to commercial areas - directly against them. They don't belong in neighborhoods.	12/14/2024 1:47 AM
11	The owner MUST occupy the home 6 months of the year and only are allowed 1 "rental" home aside from their own home.	12/13/2024 11:20 PM
12	For all VHR- they are all for special use	12/13/2024 10:04 PM
13	Definitely schools as we should allow these to be as available as possible for families with children looking for housing. Parks should also be included as they should be more easily accessible to residents.	12/13/2024 10:03 PM
14	Neighboring properties approval only.	12/13/2024 9:48 PM
15	I do not support any permits	12/13/2024 7:47 PM
16	addressing cases where someone might be trying to get a permit to use a non-traditional dwelling unit. i.e. renting out a business or warehouse space for a vocational rental. I feel if the space is already an established residence it should not need a special use or conditional permit. If it's been a home and will be used as a home a permit should not be needed. If is	12/2/2024 8:21 AM

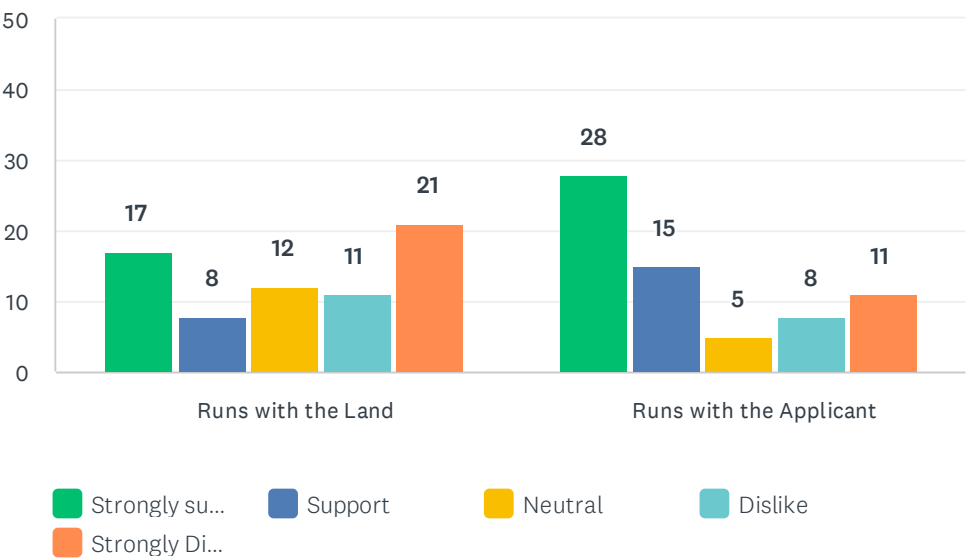
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anything else it should be reviewed and issued a conditional permit. As an example, the last remaining Blockbuster in Bend rented out their store for a night.

17	None	11/27/2024 9:30 AM
18	None. Leave homeowners alone.	11/27/2024 9:25 AM
19	Near a school	11/26/2024 4:28 PM
20	Don't support	11/21/2024 10:31 AM

Q4 How long should vacation rental permits be valid for?

Answered: 69 Skipped: 1



	STRONGLY SUPPORT (1)	SUPPORT (2)	NEUTRAL (3)	DISLIKE (4)	STRONGLY DISLIKE (5)	TOTAL	WEIGHTED AVERAGE
Runs with the Land	24.64% 17	11.59% 8	17.39% 12	15.94% 11	30.43% 21	69	3.16
Runs with the Applicant	41.79% 28	22.39% 15	7.46% 5	11.94% 8	16.42% 11	67	2.39

BASIC STATISTICS						
	MINIMUM	MAXIMUM	MEDIAN	MEAN	STANDARD DEVIATION	
Runs with the Land	1.00	5.00	3.00	3.16	1.57	
Runs with the Applicant	1.00	5.00	2.00	2.39	1.52	

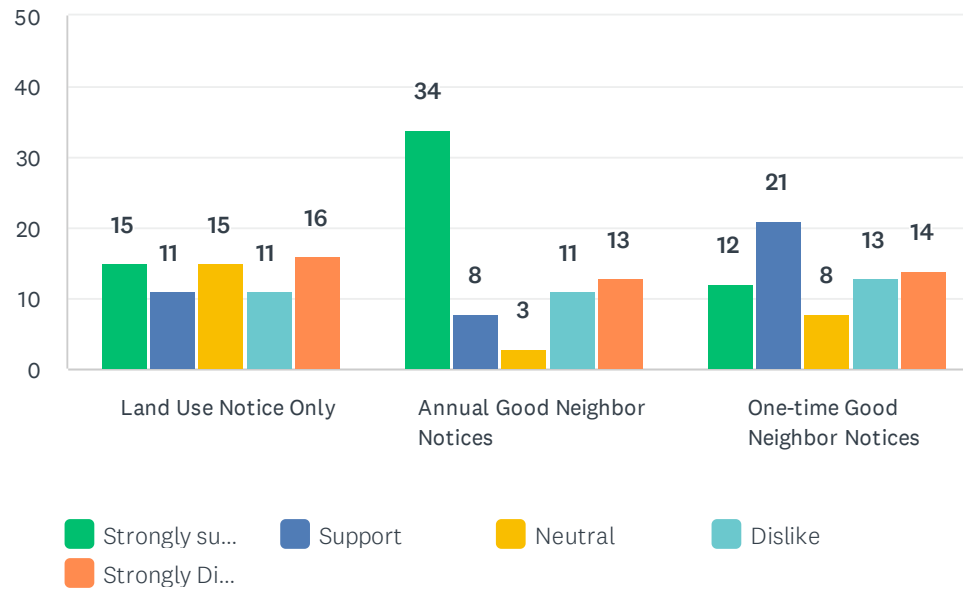
#	HAVE ANOTHER IDEA? PLEASE SPECIFY.	DATE
1	FULL STOP. Ya'll need to reapply if it's to be a vacation rental and it changes hands. They need to pass approval.	12/15/2024 3:02 PM

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2	The current system is completely messed up (see my first rant) and has caused massive problems that will never be solved by picking around the edges. People who own whole-home short-term rentals are greedy (IMHO) and usually have financial resources to sue the city if you remove their nice income stream. Therefore, if by some miracle, you adopted the recommendations above (in first rant), then all the current whole-home short-term rentals (in residential zones) would become disallowed! This action of course will cause all of these investors to fight back and cry about how they cant pay their mortgages without tourist income (nonsense), so just allow them to continue (grandfathered) if they get a special use permit , until there is an ownership change, then the house goes back to being a true residence (not a defacto hotel).	12/14/2024 9:59 AM
3	There needs to be a limit on number of vacation rental properties someone can own. There's just not enough long term housing available at reasonable enough prices to allow houses to be purchased then sit. It's understandable if people use it as a stream of income but they can't start building a monopoly of properties that sit empty for periods of time.	12/13/2024 10:03 PM
4	No more than 5 years unless within in a special zoning district for vacation homes. When it expires, it cannot automatically renew and must go through a 12 month wait period to allow other homes to apply and become eligible to be a vacation rental.	12/13/2024 10:00 PM
5	If someone were to purchase, a bakery, part of what they are purchasing is the name, the reputation, the supplies, etc. If someone wants to sell their short term, rental business, why should they be penalized and not have the same ability to sell their business?	11/27/2024 9:25 AM
6	All permits should be valid for a fixed amount of time, in the order of 5-10 years and can be sold with the land. It should never run with the applicant because the zoning requirements are related to the home and location and not to the person.	11/26/2024 5:01 PM
7	There are real property (imposed by the city) investments to be a VHR. This should be salable.	11/21/2024 10:31 AM

Q5 When should vacation rental home operators provide notice to their neighbors?

Answered: 70 Skipped: 0



	STRONGLY SUPPORT (1)	SUPPORT (2)	NEUTRAL (3)	DISLIKE (4)	STRONGLY DISLIKE (5)	TOTAL	WEIGHTED AVERAGE
Land Use Notice Only	22.06% 15	16.18% 11	22.06% 15	16.18% 11	23.53% 16	68	3.03
Annual Good Neighbor Notices	49.28% 34	11.59% 8	4.35% 3	15.94% 11	18.84% 13	69	2.43
One-time Good Neighbor Notices	17.65% 12	30.88% 21	11.76% 8	19.12% 13	20.59% 14	68	2.94

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BASIC STATISTICS					
	MINIMUM	MAXIMUM	MEDIAN	MEAN	STANDARD DEVIATION
Land Use Notice Only	1.00	5.00	3.00	3.03	1.46
Annual Good Neighbor Notices	1.00	5.00	2.00	2.43	1.64
One-time Good Neighbor Notices	1.00	5.00	3.00	2.94	1.42

#	HAVE ANOTHER IDEA? PLEASE SPECIFY.	DATE
1	We gotta live with this shit next door, we should know what the hell is going on. Cars coming and going, people coming and going, trash, noise, and then long vacancies with no one around opening things up to vandalism and theft for the rest of us who live by them. Send the tourists to all to the hotels in town. Didn't they just built a new one at the north end of town. Hmmm... yeah. Yeah they did. And it's literally their business of record.	12/15/2024 3:02 PM
2	Annually seems like overkill	12/15/2024 7:14 AM
3	Neighbors should get to share opinions before permit is approved.	12/14/2024 2:56 PM
4	If you get your code correct, then these should no be needed. But my preferred would be a one-time thing. Please look at what the City of Dayton did with this. To the best of my knowledge: 1-they do NOT allow whole home rental in any exclusively-residential zone! They allow short-term/whole-home rental in their CR zone (which is similar to our/Newberg's RP zone). In this zone (and in commercial zones) they allow whole-home rentals. 2-They allow and even encourage short-term rental of ADUs (attached or detached) in all residential zones as long as: a- the ADU is permitted for occupancy and b-the owner of the property lives on/occupies the primary dwelling unit. Finally: The crux of the problem is absentee owners (who are basically investors/business people who generally dont give a rip about the neighbors) who are renting out whole-homes! Simply do NOT allow this and you will solve 90% of the problems!!!!!! Thank you.	12/14/2024 9:59 AM
5	Neighbors move in and out frequently and might not be present when the one and only notice is sent.	12/13/2024 10:00 PM
6	All three.	12/13/2024 9:48 PM
7	Who wouldn't communicate with their neighbors about their plans to operate a short-term rental?	12/13/2024 8:41 PM
8	I think one time is enough, which would be the requirement when applying for the permit. The distance of neighbors should include everyone in a 2 block radius.	12/2/2024 8:21 AM
9	Never. Its no one's business.	11/27/2024 9:30 AM
10	My neighbor has goats and roosters that smell and are loud. They did not have to get my approval. My other neighbor dug up his whole front lawn over a year ago and now it's a mud pit and unsightly. They didn't have to get my approval. Another neighbor painted their house a shocking yellow color, and have zero landscaping and cars on blocks in their driveway. They didn't have to get my approval. Why does a homeowner need to get their neighbors' approval to do whatever they want with their own home? Further, I think it would be a nuisance if I had to get notice annually from my neighbors for things that they wanted to do.	11/27/2024 9:25 AM

City of Newberg Vacation Rental Home Policy Update

11	An annual good neighbor letter seems excessive.	11/26/2024 6:27 PM
12	As an STR owner I do think we should be required to give the neighbors contact info.	11/26/2024 4:28 PM
13	Neighbors are not required to advise my business on changes in house/home population!	11/21/2024 10:31 AM



Vacation Rental Home and Short-Term Rental White Paper

Last revised Friday, October 20, 2023

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I. INTRODUCTION

This research summary is created to provide an update to the Newberg City Council on the status and trends related to *Vacation Rental Homes*, also referred to as short-term rentals, in the City of Newberg. The following research primarily relies on available data and statistics from City resources as well as several case studies from throughout Oregon and states in the region. The case studies shared through this report provide a variety of policy approaches that the City Council may consider if changes in the regulation of vacation rental homes are deemed necessary.

Based on local data sources, there are currently 74 vacation rental homes in operation within Newberg. Overall, both the number of vacation rental homes and rate of applications to operate them have increased within the last year. For example, the City processed 13 requests for vacation rental homes in 2022, but has received 12 requests additional requests in the first seven months of 2023.

II. BACKGROUND AND EXISTING CONDITIONS

On September 16, 2013, Newberg's City Council adopted Ordinance 2013-2763 containing multiple amendments to the Newberg Municipal Code's (NMC) zoning use table and definitions, uses by zoning district, approval criteria, and development standards for operation of vacation rental homes. The ordinance defined "vacation rental home" and other terms to clarify vacation rental activities from other visitation and lodging activities such as hotels, motels, and bed and breakfast establishments. According to NMC 15.05.030,

"vacation rental home" means a single-family dwelling unit that is used, rented or occupied for periods of less than 30 days, or is available, advertised, or listed by an agent as available for use, rent for occupancy for periods of less than 30 days. "Vacation rental home" excludes bed and breakfast establishments.

The ordinance also established that vacation rental activities would specifically be allowed but would be subject to regulation and standards relating to registration, parking, trash collection, and maintenance. In 2016, the City adopted ordinance 2016-2806 which added specific exemption to Transient Lodging Tax (TLT) allowed pursuant to state law, refined definitions relating to bed and breakfast entities, rooming houses, and lodging houses.

On March 21, 2022, City staff last provided an update to the Newberg City Council on the status of vacation rental homes within the City. During that update, City staff noted that the rate of applications for vacation rental home applications had slowed during the COVID-19 epidemic, but the rate of application submittals had increased again. From a strategic perspective, the staff report to City Council stated that business and tourism opportunities of vacations rental homes needed to be balanced against the potential for changes in the character of neighborhoods and a small reduction in potentially available housing stock. Newberg City Council made no policy changes at that time but requested that Community Development Department staff return in approximately one year for another update on vacation rental homes.

A. Newberg Short-Term Rentals by the Numbers

Permitting activity, TLT registration, and current business license data provide a picture of how prevalent existing short-term rentals are across Newberg. However, these data sources currently have limited ability to consistently and accurately inventory vacation rentals, an issue compounded by the number of vacation rental homes that were operating before the City adopted vacation rental regulations in 2013. This report seeks to accurately identify and distinguish between the various vacation rental homes, bed and breakfast establishments, and hotel/motel uses found in Newberg. However, consistency in the categorization of operations varies over time, particularly for operations that precede the 2013 regulations or have changed from a bed and breakfast establishment to a vacation rental home over the years.

Between 2016 and 2022, the City approved 30 permits for vacation rentals. The City has received application materials requesting vacation rental homes at 12 additional locations as of July 2023. The number of approved and in-process application received by the Planning Division since 2017 has more than doubled over the last two years (see Figure 1).

Figure 1. Number of Vacation Rental Home Applications Received by Year

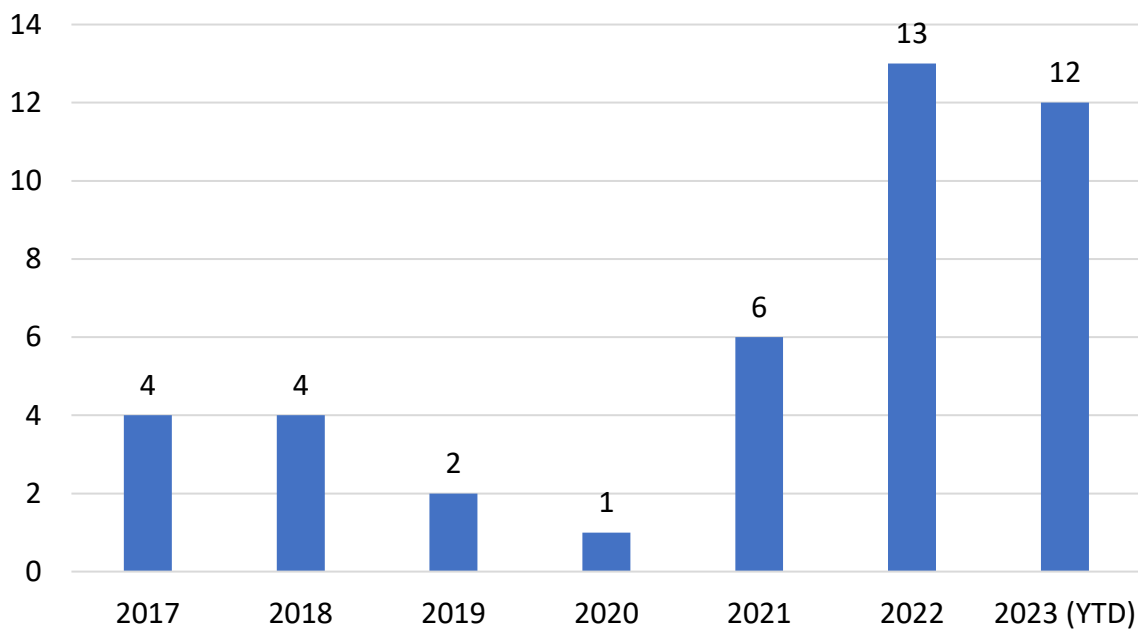


Figure 1 Note: Data last revised August 2023

As shown in Table 1, just under 40 percent (12) of the approved applications were registered for payment of TLT and held an approved business license at some point in that period. 14 rentals both received planning approval and registered for TLT, one had planning approval and a business license, and five only received a conditional use permit approval. 29 vacation rental homes were listed on the TLT registration report (five of which also held valid business licenses) but had not gone through land use approval.

Table 1. Newberg Vacation Rental Home Summary

All Vacation Rentals on record with the City of Newberg <i>Includes permit applications, TLT registrations, and business license registrations</i>	74
All Vacation Rentals that received or applied for City permits	42
# of Vacation Rental permit applications in review	6
# of approved Vacation Rental permit applications	36
# of permitted VR that are paying TLT and hold a business license	12
# of permitted VR that are paying TLT <i>and no business license</i>	14
# of permitted VR that have a business license <i>but are not paying TLT</i>	1
# of permitted VR with no other registration	5
All Vacation Rentals that are Registered for Transient Lodging tax payments with the City	57
<i>All Vacation Rentals that are paying Transient Lodging Tax with an approved application.</i>	28
<i>All Vacation Rentals that are paying Transient Lodging Tax without an approved application.</i>	29
Vacation Rentals that have Business Licenses	18
<i>Vacation Rentals that don't have Business licenses</i>	56

Table 1 Note: Data last revised August 2023

Vacation rental homes are distributed throughout the City with higher density clusters of vacation rentals found near and south of the downtown area as shown in Figures 2 and 3. Additionally these figures and other maps are provided in Appendix B. Maps in a larger format.

Figure 2. Map of Vacation Rental Homes in Newberg (April 2023)

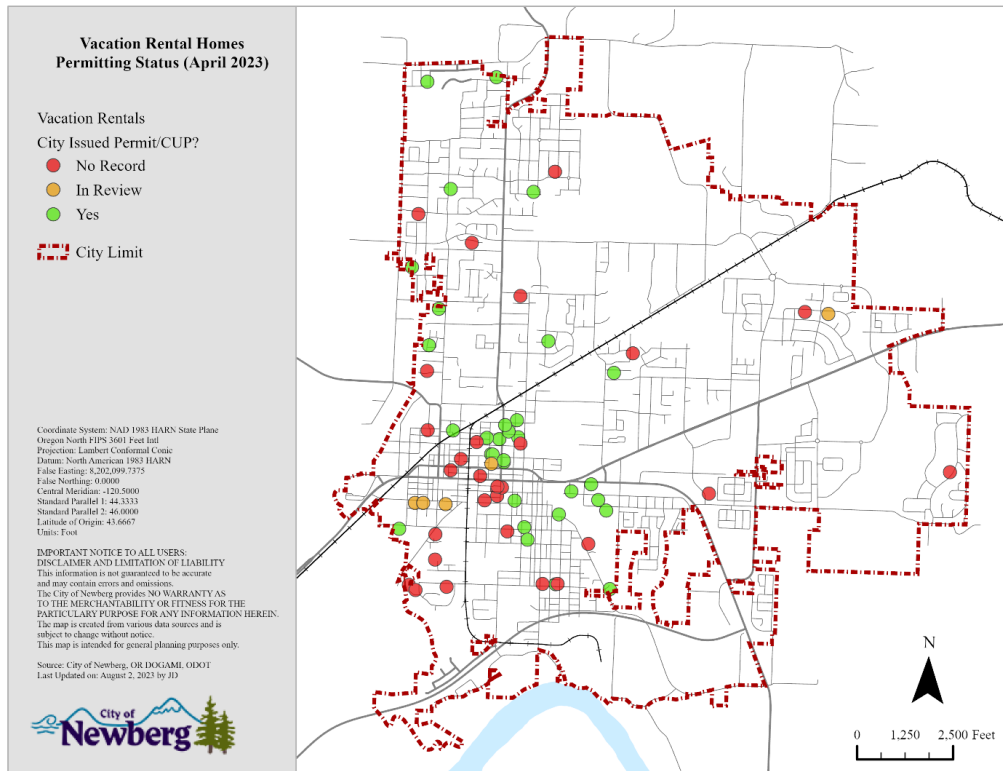
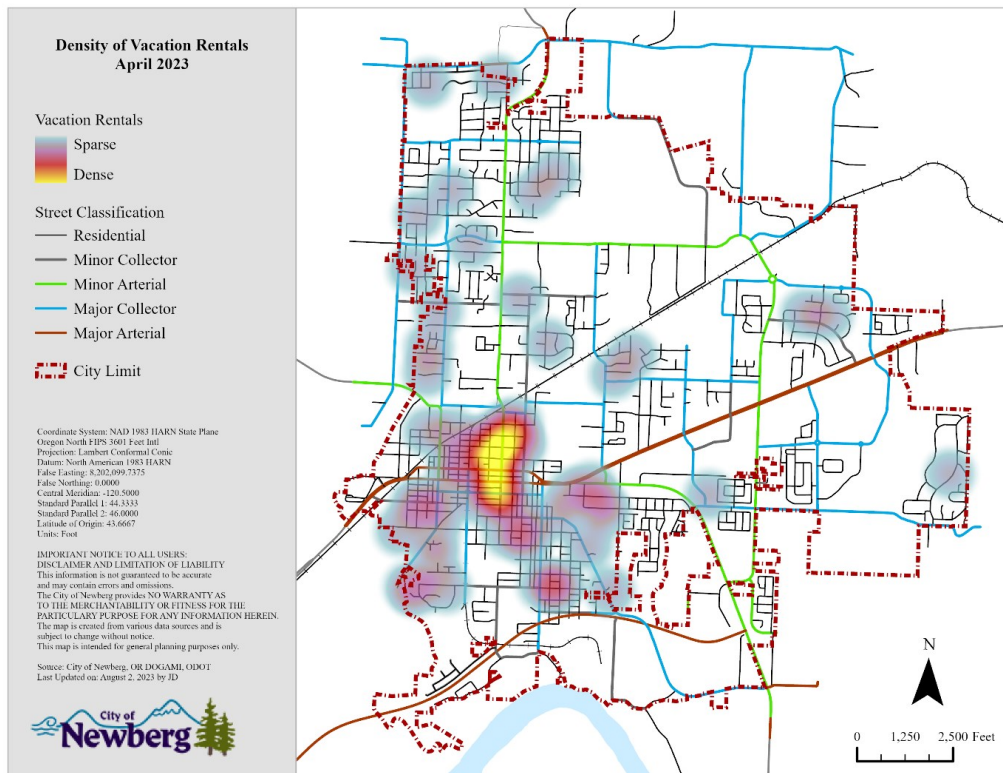


Figure 3. Map of Vacation Rental Home Density in Newberg (April 2023)



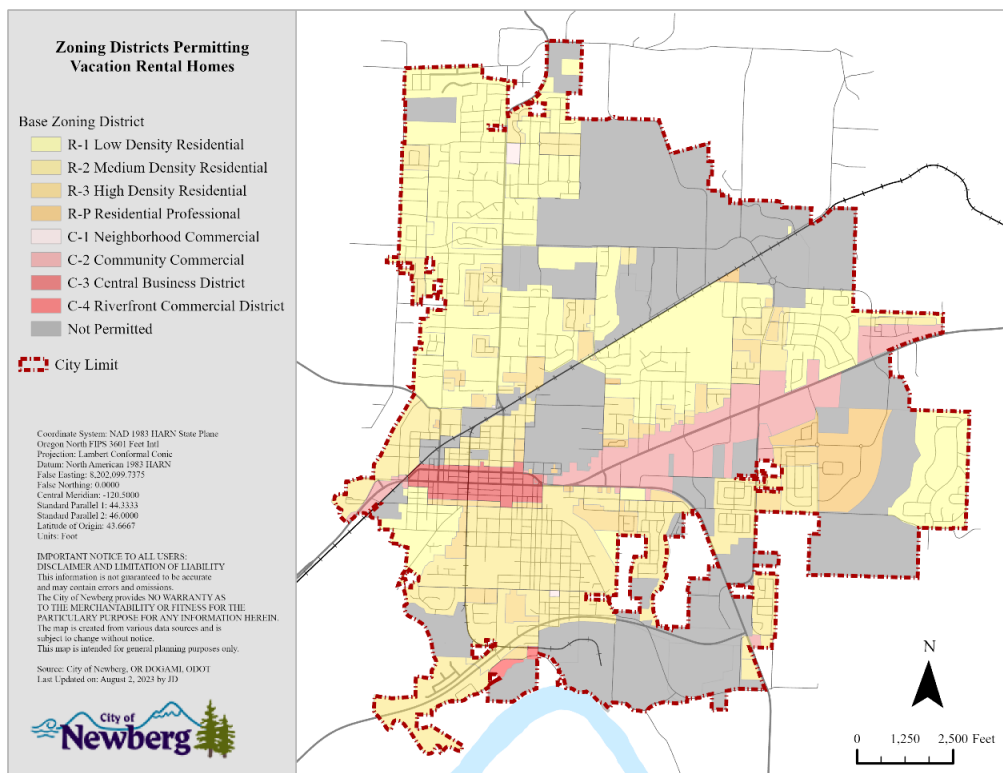
B. City of Newberg Existing Regulations for Vacation Rental Homes

According to the City's regulations, standards and procedures for vacation rental homes apply to a single-family dwelling unit that is used, rented or occupied for periods of less than 30 days, or is available, advertised, or listed by an agent as available for use, rent for occupancy for periods of less than 30 days. Vacation rental homes must be a structure approved for occupancy as a single-family dwelling unit.

Where are vacation rental homes allowed?

In the City of Newberg, vacation rental homes are considered a commercial use that is allowed in residential and commercial zones subject to conditional use and special use requirements. Areas where vacation rental homes are conditionally allowed or allowed a special use represent 65 percent of the City's land area as depicted in Figure 4.

Figure 4. Map of Newberg Zoning Districts



Vacation rental homes are conditionally allowed in Low Density Residential (R-1) and Medium Density Residential (R-2) zoning districts meaning that a conditional use permit is required and the request is also subject to special use standards found in NMC Chapter 15.445 relating to vacation rental homes. Vacation rental homes are considered a special use in High Density Residential (R-3), Manufactured Dwelling (R-4), Residential Professional (RP), Neighborhood Commercial (C-1), Community Commercial (C-2), Central Business (C-3), and Riverfront Commercial (C-4) zoning districts. These designations are shown in the City's Zoning Use Table (NMC Chapter 15.305) and shown in Table 2.

Table 2. Excerpt of Zoning Use Table for Vacation Rental Homes by Zoning District

Zoning District	Use - Vacation Rental Home
R-1 (Low Density Residential)	Conditional Use
R-2 (Medium Density Residential)	Conditional Use
R-3 (High Density Residential)	Special Use
R-4 (Manufactured Dwelling)	Special Use
RP (Residential-Professional)	Special Use
C-1 (Neighborhood Commercial)	Special Use*
C-2 (Community Commercial)	Special Use*
C-3 (Central Business)	Special Use*
C-4 (Riverfront Commercial)	Special Use*
M-E (Mixed Employment)	Prohibited
M-1 (Limited Industrial)	
M-2 (Light Industrial)	
M-3 (Heavy Industrial)	
M-4 (Large Lot Industrial)	
CF (Community Facilities)	
I (Institutional District)	
AR (Airport Residential)	
AI (Airport Industrial)	

Notes:

Permitted Use. The use is a permitted use within the zone. Note that the use still may require design review, building permits, or other approval in order to operate.

Conditional Use. A conditional use permit is required for the use. See Chapter 15.225 NMC.

Special Use. The use is subject to specific standards as identified within this code. For Vacation Rental Home uses, see NMC Chapter 15.445, Article VII.

Prohibited Use. The use is specifically prohibited.

* Permitted in existing dwelling units only. New dwelling units may not be created for this use unless the dwelling unit would otherwise be allowed.

Source: Newberg Municipal Code, Section 15.305.020, Row 460 and related.

How does the City decide which vacation rental homes to allow?

As uses that are conditionally allowed in the R-1 and R-2 zones, individuals must obtain a conditional use permit and special use permit to operate a proposed vacation rental home. Applications for conditional use permits are subject to Type III procedure, which includes public noticing, a quasi-judicial public hearing, and a final decision by the Newberg Planning Commission. Just over 75% of the area permitting vacation rental homes require conditional use approval (see Figure 5). Where vacation rental homes are allowed as a special use, applicants are

required to go through the City’s Type II procedure which includes public noticing, a public comment period, and an administrative final decision by the Community Development Director. When vacation rental homes occur in the C-1, C-2, C-3, and C-4 zoning districts, they are only allowed in existing single-family dwelling units. New dwelling units may not be created for use as a vacation rental home unless the dwelling unit would otherwise be allowed in the C-1, C-2, C-3, and C-4 zoning districts.

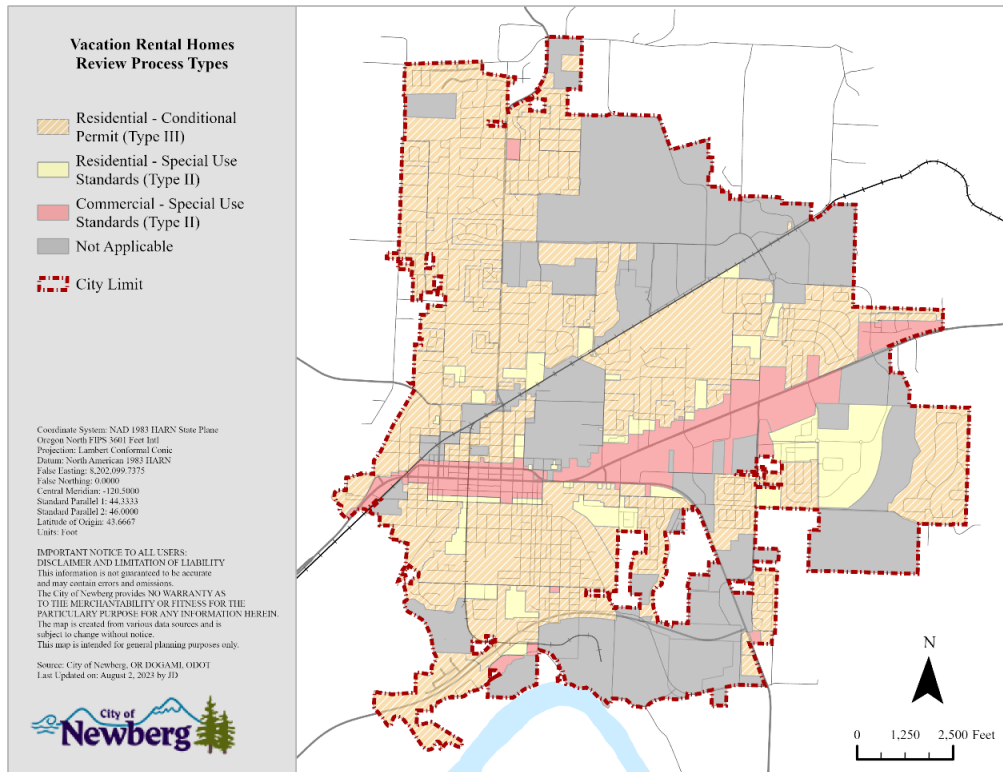
When making a decision regarding whether or not to approve an application for a vacation rental home, the decision-making authority must use the City’s adopted and applicable criteria. For all applications this includes criteria for special uses related to vacation rental homes found in NMC 15.445.300. For applications occurring in the R-1 and R-2 zoning districts, this also includes criteria related to conditional use permits which are found in NMC 15.225.060. In both 2022 and 2023, the majority of vacation rental home applications received have occurred within the R-1 and R-2 zoning districts, requiring a conditional use permit and a final decision by the Newberg Planning Commission.

Typically, if the application indicates that the vacation rental home will comply with the required criteria, it is approved for operation on the condition that those conditions are met. The adopted criteria and standards used in evaluating applications for vacation rental homes include:

Table 3. Applicable Criteria for Vacation Rental Homes

Conditional Use Permit Criteria <i>NMC 15.225.060</i>	Special Use Standards for Vacation Rental Homes <i>NMC 15.445.330</i>
<p>A conditional use permit may be granted through a Type III procedure only if the proposal conforms to all the following criteria:</p> <p>A. The location, size, design and operating characteristics of the proposed development are such that it can be made reasonably compatible with and have minimal impact on the livability or appropriate development of abutting properties and the surrounding neighborhood, with consideration to be given to harmony in scale, bulk, coverage and density; to the availability of public facilities and utilities; to the generation of traffic and the capacity of surrounding streets, and to any other relevant impact of the development.</p> <p>B. The location, design, and site planning of the proposed development will provide a convenient and functional living, working, shopping or civic environment, and will be as attractive as the nature of the use and its location and setting warrants.</p> <p>C. The proposed development will be consistent with this code.</p>	<p>A. The vacation rental home shall provide a minimum of two parking spaces on the site that are available for use of the rental occupants.</p> <p>B. The applicant shall provide for regular refuse collection.</p> <p>C. The vacation rental home may not be occupied by more than two rental occupants per bedroom, up to a maximum of 15 people.</p> <p>D. The premises of the vacation rental home may not include any occupied recreational vehicle, trailer, tent or temporary shelter during the rental occupancy.</p>

Figure 5. Map of Allowable Vacation Rental Uses by Procedure



What's the difference between a Vacation Rental and Motel?

The NMC clarifies the difference between various commercial lodging activities by defining them. NMC Section 15.05.030 includes the following definitions related to vacation rental homes, short-term rentals, and similar visitor activities:

- **“Bed and breakfast establishment”** means a structure designed as a single-family dwelling and occupied by an on-site manager in which sleeping units are provided for periods of less than 30 days for use by travelers or transients for a charge or fee paid or to be paid for the rental or use of the facility.
- **“Boarding and/or rooming house”** means a building where lodging, with or without meals, is provided for compensation, but shall not include homes for the aged, nursing homes or group care homes.
- **“Dwelling”** means a building or portion of a building which is occupied in whole or in part as a home, residence, or sleeping place, either permanently or temporarily by one or more families, but excluding hotels, motels and tourist courts.
 - **“Dwelling, single-family”** means one dwelling unit on one lot or parcel.
 - **“Dwelling, single-family detached”** means one dwelling unit on one lot or parcel with no common walls attached to another dwelling unit.

- **“Dwelling unit”** means a single unit of one or more habitable rooms providing complete independent facilities for occupants, including permanent provisions for living, sleeping, eating, cooking and sanitation.
- **“Hotel” or “motel”** means a structure with sleeping units or dwelling units rented or occupied for periods of less than 30 days, excluding vacation rental homes and bed and breakfast establishments.
- **“Vacation rental home”** means a single-family dwelling unit that is used, rented or occupied for periods of less than 30 days, or is available, advertised, or listed by an agent as available for use, rent for occupancy for periods of less than 30 days. “Vacation rental home” excludes bed and breakfast establishments.

C. Existing Vacation Rental Operations in Newberg

While the number of vacation rentals reported on TLT reports fluctuated between July 2018 and July 2021, the City has seen a steady increase in the most recent fiscal year reported through July 2022. While TLT remitted has seen a corresponding increase, almost tripling the amount received in 2021-2022 as in 2018-2019, collecting just under \$100,000. While the traditional hotel and motel industry saw a similar decline in TLT remitted at the start of the pandemic, vacation rental usage rebounded much quicker, as traditional accommodation still remains below 2018-2019 levels (see Table 4).

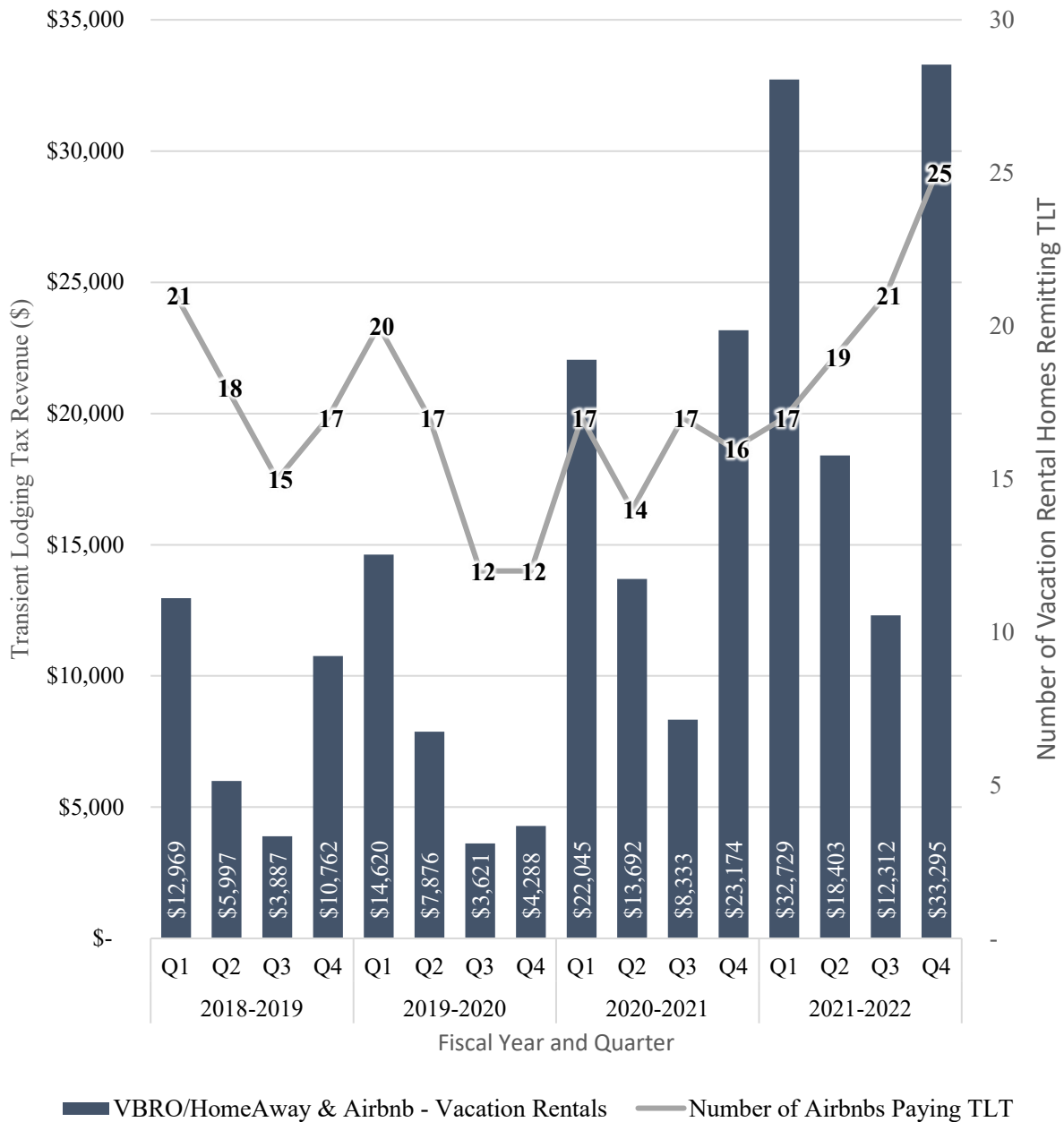
Table 4. TLT Remittances by Lodging Type

	Hotels & Motels			Vacation Rentals		
<i>FY 2018-2019</i>	\$	1,064,731.20		\$	33,615.58	
<i>FY 2019-2020</i>	\$	764,029.43	-28%	\$	30,404.84	-10%
<i>FY 2020-2021</i>	\$	537,691.42	-30%	\$	67,244.84	121%
<i>FY 2021-2022</i>	\$	937,101.17	74%	\$	96,739.06	44%
<i>4-Year Change</i>	\$	(127,630.03)	-12%	\$	63,123.48	188%

Table 4 Note: Data last revised August 2023

Vacation rental homes show a strong seasonal variation in TLT revenue collected, typically with a peak in the summer. However, the increase in number of units has translated to increases in TLT across all quarters. Highlighting this observation, the revenue collected from January to March 2021, FY 2021-2022's lowest reporting quarter, was just under the amount reported in FY 2018-2019's top quarter (see Figure 6). This data includes TLT directly reported from hotels, motels, and vacation rentals. While the TLT report includes data from third-party vendors (i.e. Expedia), the reporting methodology has changed in the last four years and total third-party TLT makes up a relatively small share of overall revenues, and was excluded from these figures.

Figure 6. Number of Vacation Rentals and Remitted TLT Revenue (FY 2018-2021)



The City's portfolio of vacation rental units has also changed over the last four years. According to figures associated with TLT remittances, while single-room rentals made up the majority of all rentals from 2018-2020, multi-room and larger units are representing an increasing share of the vacation rental market (see Figures 7 and 8).

Figure 7. Vacation Rentals Activity Reported by Number of Rooms (FY2018-2021)

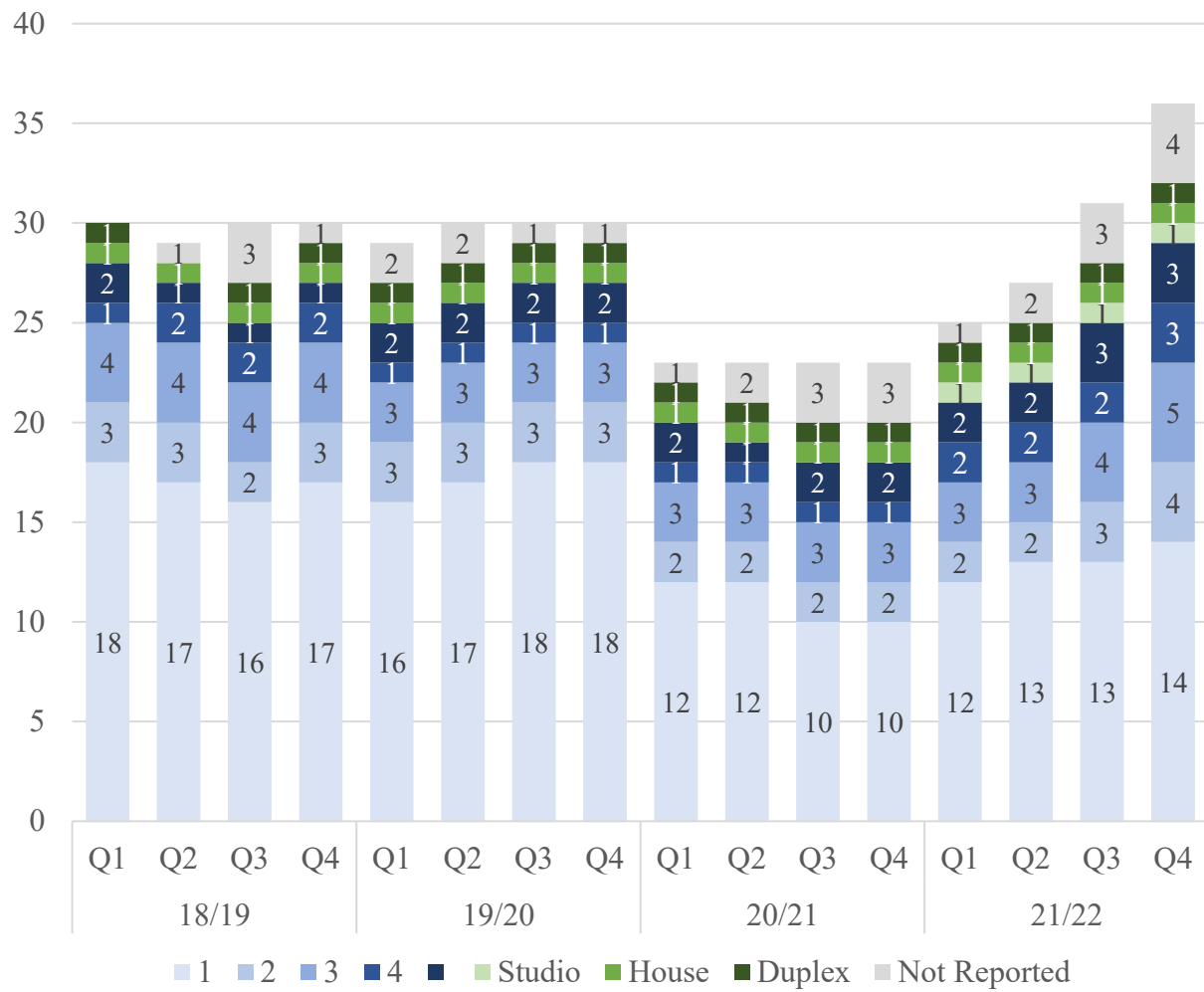
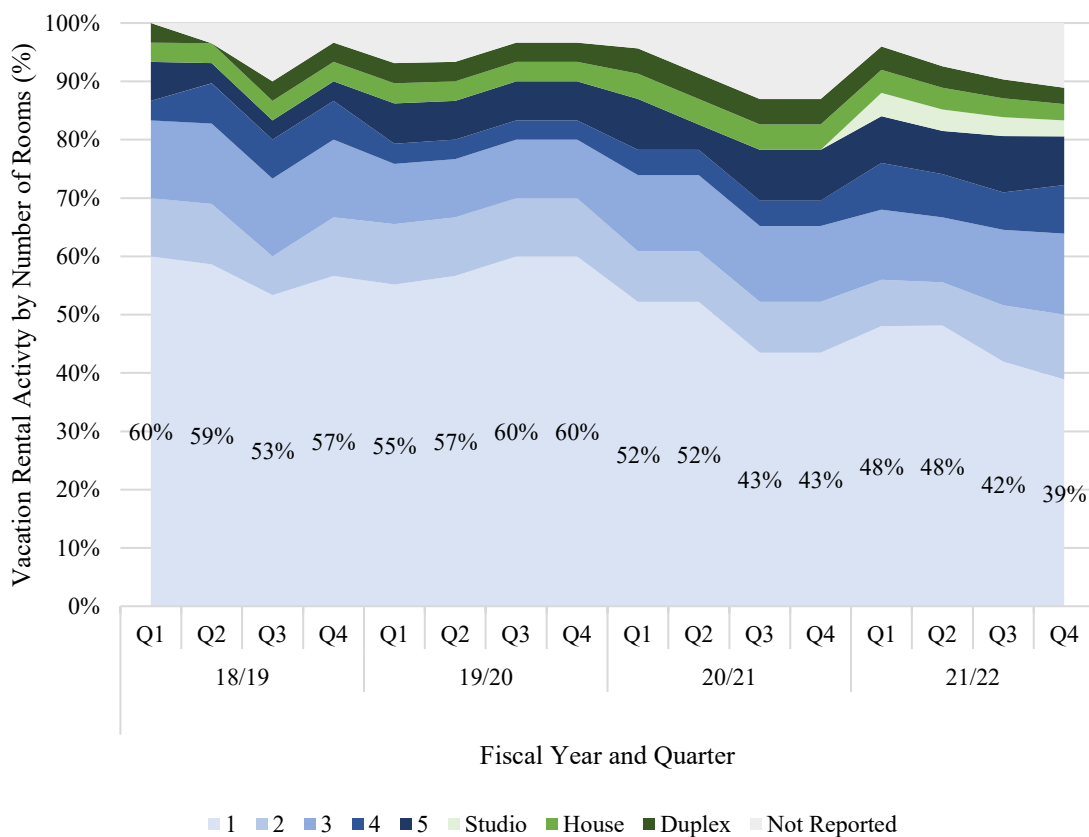
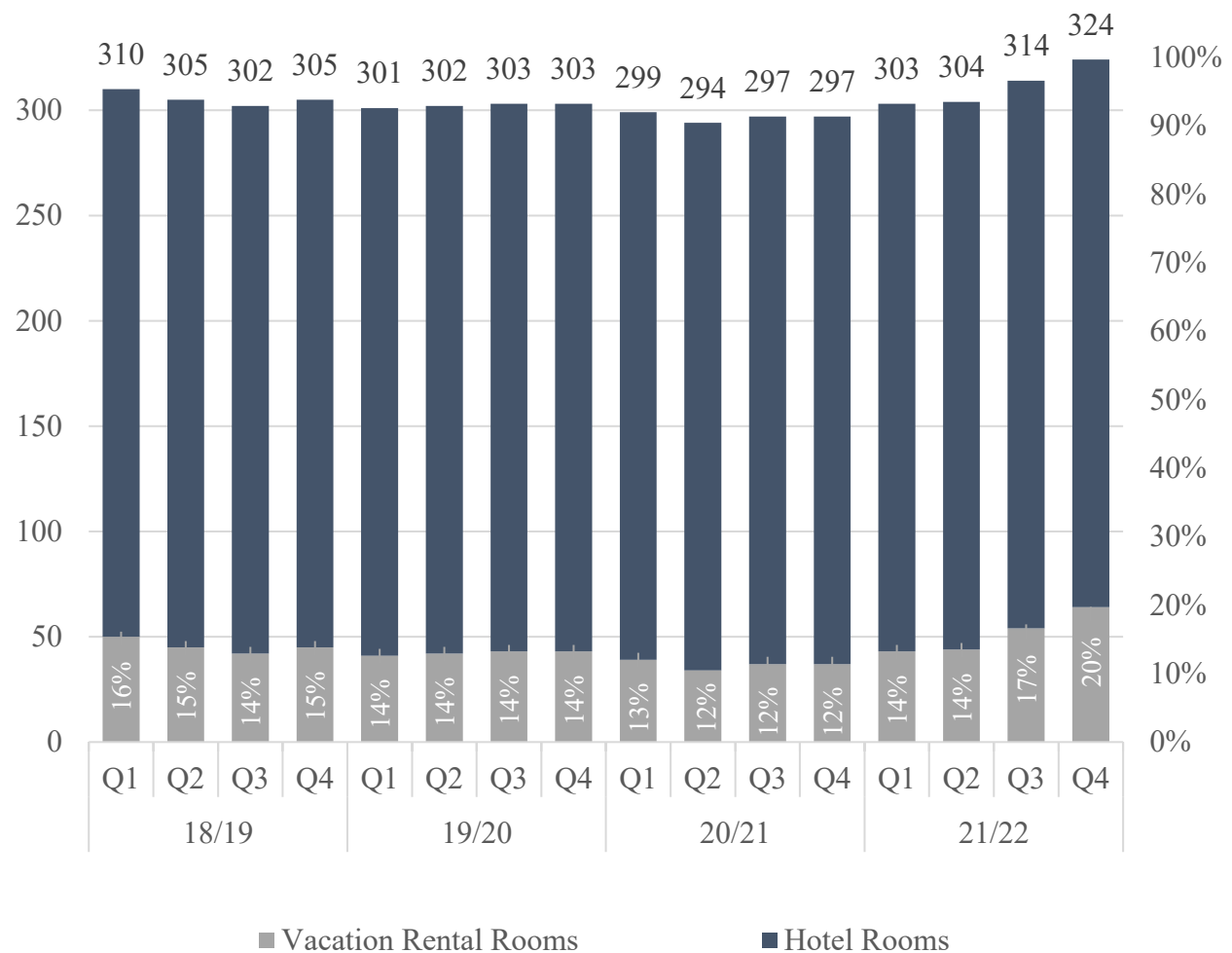


Figure 8. Share of Vacation Rentals Reported by Number of Rooms (FY2018-2021)



These shifts in visitor-serving accommodations show an increasing inventory but still represent a minor share of Newberg’s overall commercial lodging reporting TLT. Vacation rentals make up approximately 20 percent of nightly accommodations rental rooms, up from a low of 12 percent through the pandemic (see Figure 9).

Figure 9. Number of Rooms by Accommodation Type (FY 2018-2021)



* Not including 1 House and 1 Duplex paying TLT in FY 2018-2021 and 1 Studio paying TLT in FY 2021.

III. ISSUES AND CONCERNS RELATED TO VACATION RENTAL HOMES

A. Public Comments Received for Vacation Rental Home Applications

As applications have been processed in recent years, public comments on vacation rental home applications have ranged widely from parking and safety concerns to housing availability and the need for balancing of tourism with long-term housing needs in Newberg. Staff evaluated all public comments received during the permitting process for vacation rental applications processed between 2016 and April 2023. During that time, the public commented on 19 of the 31, or 61 percent of applications processed during that time period. In total, 77 public comments were received, evaluated, and can generally be categorized by area of interest as shown in Figures 10 and 11. As a note, comments were not categorized as “opposed” or “in support” due to a large number that stated they had concerns but did not explicitly indicate support for approval of a project, that conditions be applied, or denial of a project.

Figure 10. Public Comments Received on Vacation Rental Home Applications (2016-2023)

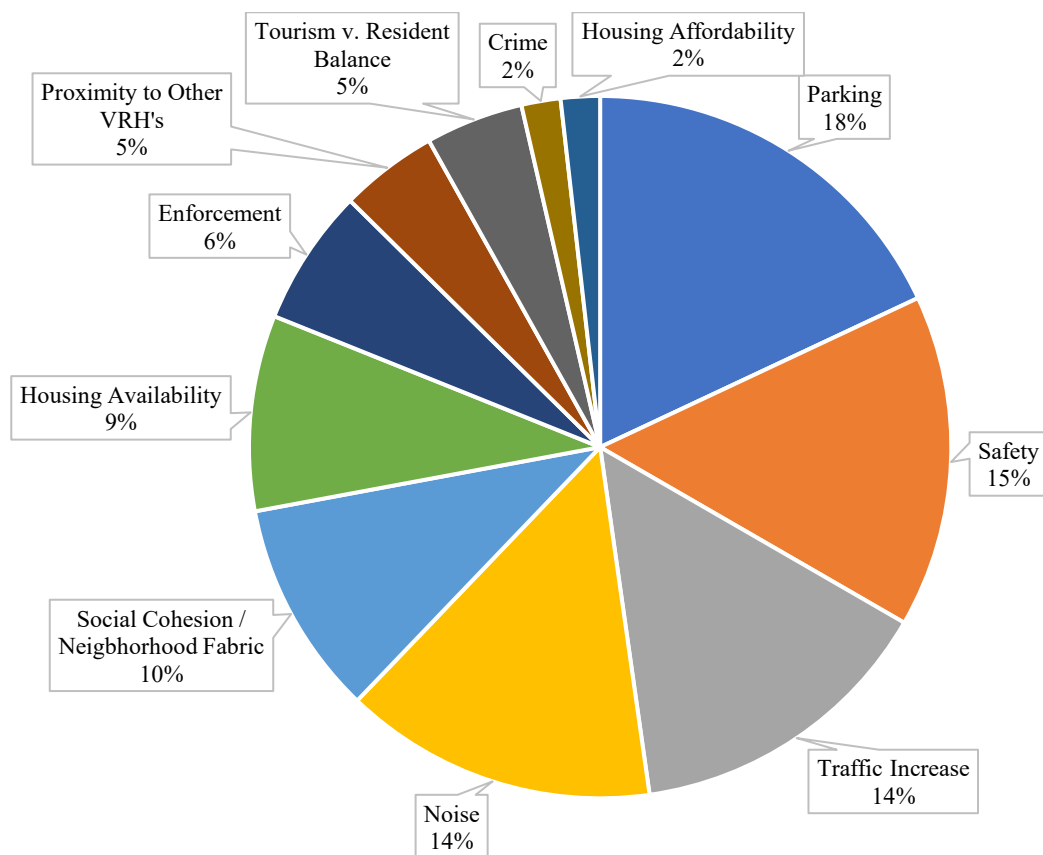


Figure 10 Note: Data last revised July 2023

Figure 11. Public Comments Received on Vacation Rental Home Applications by Year (2017-2023)

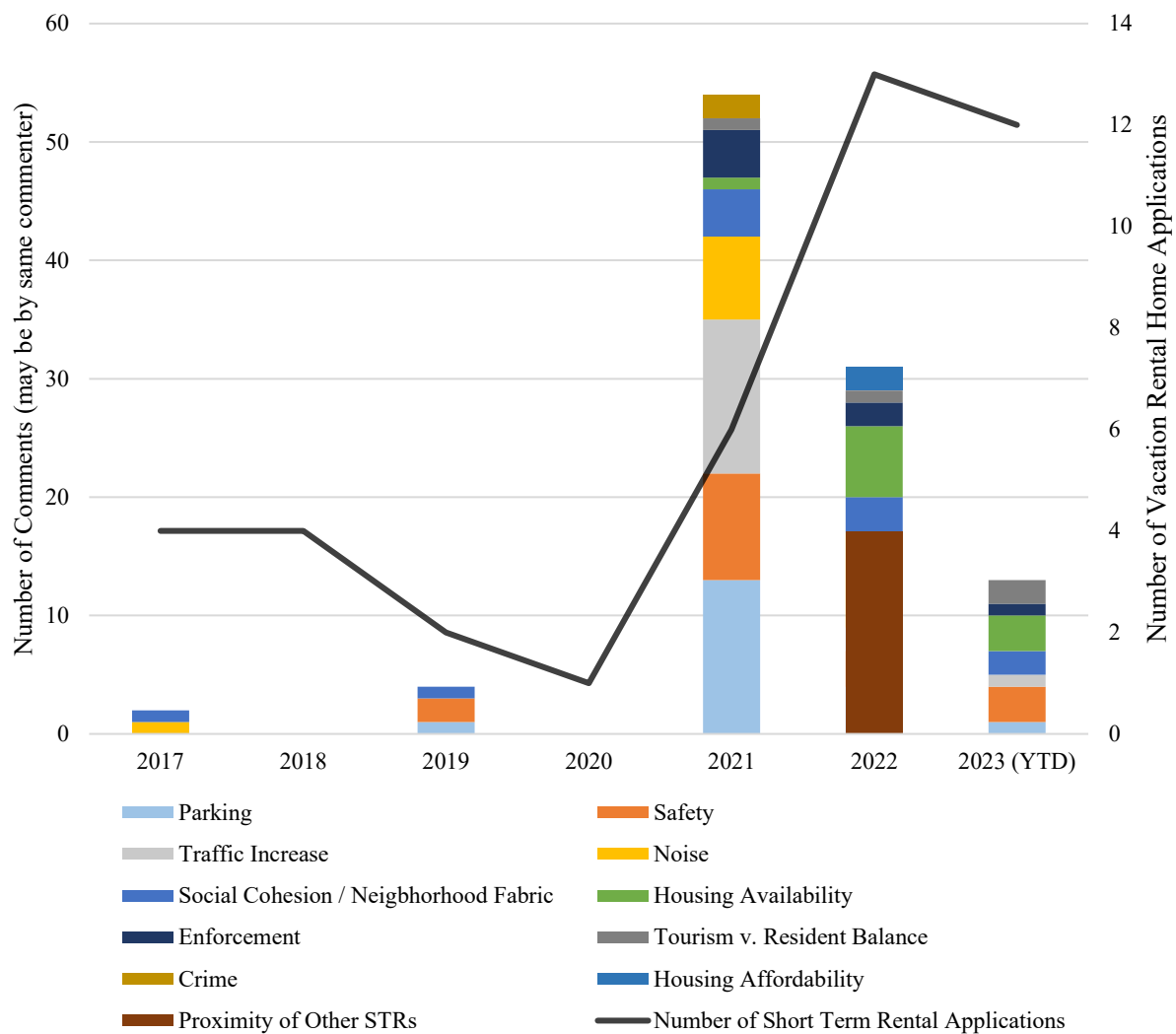


Figure 11 Note: Data last revised July 2023

The largest numbers of comments revolved around the operation of the rental on-the-ground. Comments related to parking, safety, impacts on traffic, and noise represented over 60 percent of input compared with more policy-oriented comments. Although there have been a number of comments on applications over the past several years, the Community Development Department has only received or been notified of one complaint related to vacation rental homes between February 2016 and July 2023. Additionally, the City’s Code Compliance Division indicated that they do not have readily available data distinguishes between complaints for vacation rental homes and other types of issues.

In addition to the operational or policy concerns, approximately 10 percent of comments called out concerns related to negative impacts on the “neighborhood fabric”, social cohesion, or “livability” of the community. While terms such as neighborhood fabric and livability are generally undefined, the term social cohesion refers to the strength of relationships and sense of

solidarity in a community, reflecting connections between neighbors, coworkers created by local bonds and identity. Although this can be difficult to translate into actionable policy, considering how the City’s policy options may affect how visitors interact with the community is a reasonable consideration for the future. Further, some policy options, such as siting of vacation rentals near commercial corridors or using tools such as density-based limits, could provide opportunities to achieve a balance between the needs of long-term residents and supporting the City’s tourism sector.

B. Newberg Housing Production Strategy

In addition to the discussion of policies focused on regulating the operations and suitability of vacation rental homes across the city, their increasing presence connects to broader housing priorities.

On May 1, 2023, the Newberg City Council approved Resolution No. 2023-3889, accepting the Newberg Housing Production Strategy (HPS). The City’s HPS includes a variety of strategies to expand and preserve housing. HPS Strategy I recommends that the City consider restrictions and conduct inspections on short-term rentals. According to the HPS, there is growing concern from residents and staff members about the increase in the number of short-term rentals in Newberg. Vacation rental homes typically occupy units in residential areas that would otherwise be used for long-term housing, decreasing the supply of housing available for residents.

Excerpt from the City of Newberg 2021 Housing Production Strategy (Strategy I)

I. Consider Restrictions and Conduct Inspections on Short-term Rentals

Rationale

There is growing concern from residents and staff members about the increase in the number of short-term rentals (STR) in Newberg, as staff reports seeing an increase in vacation rental applications. Short-term rentals typically occupy units in residential areas that would otherwise be used for long-term housing, decreasing the supply of housing available for local residents.

...

However, there are several other approaches a city can take to monitor or restrict STR’s:

- *Inspections: To ensure safety and code compliance, the City can inspect facilities for fire safety and compliance with applicable regulations. These inspections could be part of a one-time permitting process, the annual permit renewal, or may be required at an interval such as every two to five years.*
- *Restrictions: The City can limit the number or concentration of STRs in specific neighborhoods or areas of the city by implementing some of the following strategies.*
 - *Set a maximum percent of units or tax lots that can be STRs*
 - *Limit number of citywide or per neighborhood*

- *Set a maximum percent of units or tax lots in specific neighborhoods or zones that can be STRs*
- *Set a minimum distance between STRs*
- *Limit number per street segment*
- *Set limits on STRs by census tract*
- *Limit owners to one STR permit*
- *Limit rental periods*

City Role

Once STR issues specific to Newberg are identified, the City can adopt policies or regulations that limit the expansion of STRs. The City can also adopt safety and code regulations that will require inspections.

Partners and their Role

Partner 1. Neighborhood groups and residents; Operators of short-term rentals – its important to include the perspective of residents, as a heavy concentration of STRs in one area can be perceived as negative for a number of reasons (i.e. safety, noise, or affordability). However, the City will also want to discuss changes in STR allowances with operations because it could have an impact on existing STRs, whose owners depend on their income

Anticipated Impacts

<i>Population Served</i>	<i>Income</i>	<i>Housing Tenure</i>	<i>Magnitude of New Units Produced</i>
<i>Households located next to or nearby short-term rental housing</i>	<i>Any income level</i>	<i>Renter or Owner</i>	<i>This strategy is not anticipated to produce units, but it could regulate the supply of existing units rented out on a short-term basis.</i>

Potential Risks

If the City is only requiring registration of short-term rentals, the potential risks are minimal. If the City limited or prohibited short-term rentals, this could impact tourism by removing a type of overnight accommodation or make it more difficult for a household dependent on short-term rentals for income to afford their housing.

Implementation Steps

- *Have public discussions to determine the extent to which short-term rentals are perceived as an issue. Review code violations associated with short-term rentals (if any) to identify and measure negative impacts.*
- *If short-term rentals are problematic, evaluate regulations to restrict use or expansion of STRs.*
- *Work with Newberg's Planning Commission and City Council to adopt regulations and enforcement procedures by Ordinance.*

Funding or Revenue Implications

No specific funding or revenue source is identified at this time. Staff time and available Planning Division tools and resources will be relied on to accomplish this strategy. However, monitoring these properties and enforcing regulations can be expensive.

IV. POLICY APPROACHES FOR FUTURE CONSIDERATION

A. Assumptions and Objectives

Framing the City's next steps in discussion and/or consideration of available policy options, the following assumptions provide a foundation to evaluate the approaches available to regulate vacation rental homes:

- Vacation Rental Homes Will Continue to Operate: An assumption is made that vacation rental homes will continue to exist in some form and consider the nuances of individual needs and objectives to tailor regulations to those nuances.
- Improve Safety and Accountability: Changes to policies or implementation should strengthen nuisance laws and/or strengthen operator requirements to achieve higher levels of safety and accountability for both residents and visitors.
- Improve Regulatory and Enforcement Efficacy: Changes to policies or implementation should improve the way that regulation and enforcement deal with what is on the ground and online. This may include limiting opportunities for individuals to circumvent City requirements and regulations. New policies or implementation measure should be both administratively and technologically feasible.

To develop policies that recognize these assumptions and achieves their objectives, staff identified policy approaches utilized by other jurisdictions across Oregon and surrounding states. These case studies illustrate how jurisdictions are tracking short-term rentals and associated licensing, managing the presence of existing and growth of new rentals, and setting guidelines for operation. These policies fall into the following categories:

Non-Conformance Policies	Policies that determine how the jurisdiction is licensing short-term rentals, bringing non-conforming existing units into good standing, and regulating the lifetime of a permitted short-term rental use.
Production Policies	Policies regulating which short-term rental types are allowed or prohibited.
Concentration Policies	Policies related to how the jurisdiction limits the intensity of vacation rental homes as a permitted use.
Operation Policies	Policies that impact the everyday operation of a vacation rental home.

Compliance Policies	Policies monitoring activity and ongoing compliance with vacation rental home regulations and requirements.
Enforcement Policies	Policies related to how the jurisdiction manages complaints and violations.

In addition to policy-driven approaches, jurisdictions use a variety of programmatic approaches to enhance compliance and to conduct enforcement. In some cases, code compliance activities are financed by license fees or by TLT funds. In other programmatic approaches, jurisdictions use enhanced compliance and enforcement through technological solutions that ensure active vacation rental homes only operate under the permitted regulations. Technical services such as [Granicus](#), which the City of Newberg currently uses for hosting public meeting agendas and materials, offer modules that pro-actively monitor vacation rental housing platforms such as Airbnb, VRBO, FlipKey and others to ensure that hosts are complying with local regulations. The State of Oregon Department of Revenue also contracts with cities and counties to administer the local TLT on their behalf, resulting in vacation rental home operators making their local tax payments and filing quarterly returns with the state. As of August 2023, there were 24 jurisdictions listed as having initiated state collection between Q3 2021 and the present, while one has returned to collecting TLT locally.

B. Case Studies

Tables 4 and 5 provide details related to the procedures and policies used by jurisdictions in Oregon and nearby states to regulate vacation rental homes. Prior to analysis of policy cases themselves, understanding the processing procedures that vacation rental homes are subject to is important. The City of Newberg currently uses Type II and Type III procedures to process vacation rental homes depending on a subject property's underlying zoning district. However, jurisdictions use a variety of processes as shown in Table 4. The examples provided in Table 5 include brief descriptions of policy approaches used to regulate vacation rental homes and list which jurisdictions are using some form of that approach. These cases are intended to highlight options the City may consider for future policy decisions. Additional details for each of the case studies are provided in Appendix A of this report.

Table 4. Comparison of Vacation Rental Home by Procedure Type

Procedure Type	City of Newberg by Zoning District	Example Jurisdictions Using Procedure
Type I Procedure Ministerial Decision without Public Noticing or Hearing		Dundee ¹ ; Oregon City ² ; Newport; Walla Walla, WA; Paso Robles, CA
Type II Procedure	Allowed in R-3, R-4, and RP zoning districts with final decision granted administratively.	Dundee ³ , Hood River, Seaside ⁴

Administrative Decision with Public Noticing and Public Comment	Allowed with limitations in C-1, C-2, C-3, and C-4 zoning districts with final decision granted administratively.	
Type III Procedure Quasi-Judicial Hearing with Public Noticing	Conditionally allowed in R-1 and R-2 zoning districts. Final decision by Planning Commission.	Oregon City ⁵ , Seaside ⁶ , Ashland, Newport ⁷

Notes:

¹*Infrequent Short-Term Rentals (4 rental periods, available less than 30 days total per year)*

²*Most commercial, institutional, and mixed-use zones*

³*Standard Short-Term Rentals (less than 28 consecutive days)*

⁴*If surrounding density of existing Vacation Rental Dwellings is less than or equal to 20% within 100' of application.*

⁵*Conditional Use – residential zones*

⁶*If surrounding density of existing Vacation Rental Dwellings is greater than 20% within 100' of application.*

⁷*Owner may seek relief as Type III if a Type I standard cannot be met.*

Table 5. Policy Examples by Policy Type

Policy Type	Policy <i>*Indicates Policy in Use in Newberg</i>	Overview & Key Points from Case Studies	Case Studies (see appendix)
Non-Conformance Policies	*Grandfathering	Operations preceding the adoption of regulations were allowed to continue in perpetuity and were typically considered a non-conforming use. Grandfathered case provisions included exemptions from the number of nights a property can be rented, density or cap limits, or requirements that the rental paid all taxes when in prior status. Some cases grandfathered status conveys upon purchase if a new permit is approved upon closing.	<i>Lincoln City, OR Newport, OR Walla Walla, WA</i>
	Amortization	Operations occurring prior to adoption of regulations were allowed to continue operation for a limited period of time, after which operations are required to comply with adopted standards. Case examples include phased amortization (i.e. parking standards after five years, all standards after seven), amortization upon sale or transfer, amortization for properties within an overlay upon sale, or blanket amortization after a certain period.	<i>Hood River, OR Seaside, OR</i>
Production Policies	Prohibition	Uses were not allowed in any zoning district, permit, or procedure. Cases	<i>Hood River, OR Walla Walla, WA</i>

Policy Type	Policy <i>*Indicates Policy in Use in Newberg</i>	Overview & Key Points from Case Studies	Case Studies (see appendix)
		prohibited by structure type or by owner-occupancy status.	
	Non-regulation	No permits required by the city to conduct use/operation of the vacation rental home (short-term rental). Case classifies as other permitted use, no permits were required beyond the land use approval.	<i>Oregon City, OR</i>
	Homeshare Only	Requires vacation rental homes (short-term rentals) to be occupied only when the property-owner is on site. Cases required owner-occupancy or created a dual-track of standards and approval criteria for homeshare versus non-homeshare rentals.	<i>Hood River, OR Oregon City, OR Walla Walla, WA Paso Robles, CA</i>

Concentration Policies	Citywide Cap	A defined number of operations are allowed to occur within the jurisdiction. Typically ties to an explicit number of permits or tied to a percentage of lots within the jurisdiction. Cases applied different caps based on rental type or allow City Council to project a cap for the future.	<i>Dundee, OR Seaside, OR</i>
	Sub-Area Cap	Creates subareas or districts which are each assigned caps such as “up to 10 operations in Subarea A.” Examples assigned different caps to by zoning districts, tied caps to the presence and reduction over time of non-conforming rentals, or established an overlay with a cap using a “first-come, first-served” process plus waiting list.	<i>Lincoln City, OR Newport, OR</i>
	Density-based	Limits the number of allowable operations by density such as “no operations allowed adjacent to or less than 500 feet from one another.” Cases limited adjacent permits, established buffers from approved rentals, limited the number of rentals on a street frontage, required rentals be within a buffer of major street corridors, or limited the density of rentals within a buffer around an applicant.	<i>Ashland, OR Dundee, OR McMinnville, OR Newport, OR Seaside, OR Paso Robles, CA</i>
	Days of Use	Limits the portion of the calendar year during which operations may be occupied. Cases differentiated between infrequent (limiting number of rental periods and days) and standard rentals, tied the number of	<i>Dundee, OR Hood River, OR</i>

Policy Type	Policy <i>*Indicates Policy in Use in Newberg</i>	Overview & Key Points from Case Studies	Case Studies (see appendix)
		allowed rental nights to the zoning district, or applied only the cap on consecutive nights.	
	Ownership Limits	Limits the number of vacation rental homes (short-term rentals) permits that may be held by one owner or applicant. Cases limited permits or rentals to one per owner/permit holder, one license per dwelling unit, or limited multiple rentals per owner in residential zones.	<i>Dundee, OR Hood River, OR Lincoln City, OR Seaside, OR</i>
Miscellaneous Limitations	Waiting Period	Cases imposed a waiting period of 90 days after a sale before a rental permit can be applied for, a two-year waiting period on new construction, required rental license applications/renewals to include a rental history report of previous bookings, or required that the primary residence of the site be 20-years old.	<i>Seaside, OR Walla Walla, WA Paso Robles, CA</i>
Operation Policies and Standards	*Maximum Occupancy	Limits the number of tenants in the short-term rental. Cases limited occupancy of a vacation rental home (short-term rental) by persons per bedroom, limited the total number of occupants regardless of bedrooms present, or established different occupancy limits for daytime and overnight guests.	<i>Dundee, OR Hood River, OR Lincoln City, OR McMinnville, OR Newport, OR Oregon City, OR Seaside, OR Walla Walla, WA Paso Robles, CA</i>
	Owner/Agent Proximity	Requires the owner or designated agent to live within a certain proximity to the vacation rental home (short-term rental). Cases required the owner or agent to live within a certain number of vehicular miles, city's urban growth boundary, zip code, or a specified drive-time when occupied.	<i>Dundee, OR McMinnville, OR Seaside, OR</i>
Compliance Policies	*Registration	Cases can require business licenses, TLT registration, short-term rental operating licenses, land use compatibility statements, or a transient accommodation license from the health department.	

Policy Type	Policy <i>*Indicates Policy in Use in Newberg</i>	Overview & Key Points from Case Studies	Case Studies (see appendix)
	Conveyance	Regulates the lifetime of approved short-term rentals. Cases invalidated approved permits upon sale and are not transferrable.	<i>Dundee, OR Lincoln City, OR McMinnville, OR</i>
	Enhanced Technology (Programmatic)	Use of enhanced compliance and enforcement through technological platforms which monitor vacation rental homes (short-term rentals). to ensure that hosts are complying with local regulations.	<i>Various</i>
Selected Enforcement Mechanisms	*Enforcement	Cases differentiated between nuisance complaints and approved development standards complaints, required licensees to maintain a record of complaints and actions taken, revoked or suspended the permit, levied fines, or developed a city hotline for unresolved comments.	<i>Dundee, OR Hood River, OR Lincoln City, OR McMinnville, OR Walla Walla, WA Paso Robles, CA Solvang, CA</i>
	Enhanced Technology (Programmatic)	Use of enhanced compliance and enforcement through technological platforms which monitor vacation rental homes (short-term rentals). to ensure that hosts are complying with local regulations.	<i>Various</i>

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APPENDIX A: CASE STUDIES DETAIL

Non-Conformance Policies	
Grandfathering Policies: <i>Operations preceding adoption of regulations allowed to continue in perpetuity. Typically considered a non-conforming use.</i>	
Lincoln City, OR	Specific to R1- RE zone, existing rentals and those with complete applications by the date of the ordinance can continue operation without limits on the number of nights they can be rented.
Newport, OR	<p>For non-conforming uses within the city’s Vacation Rental Overlay, rentals within or adjacent a commercial or water-related zone count towards the cap number but not toward the density limitation and may be sold or transferred regardless of the waiting list.</p> <p>All other rentals within the overlay are subject to the cap, and upon sale or transfer are subject to the density and spacing standards.</p>
Walla Walla, WA	<p>Owners must have applied for a short-term rental license before the ordinance date and demonstrated the property was used as a short-term rental and continued to be used (was not intermittent or occasional).</p> <p>Requires that the owner fully and timely paid all taxes for prior rental use.</p> <p>If a non-conforming use in good standing is purchased, a short-term rental permit must be obtained on closing and renewed annually.</p>
Amortization Policies: <i>Operations occurring prior to adoption of regulations are allowed to continue operation for limited period, after which operations must comply with adopted standards.</i>	
Hood River, OR	<p>Qualifies as lawfully pre-existing if (owner’s burden of proof) if the home was used as a vacation rental between 2013-date of ordinance, the owner obtained a TLT certificate of authority, and the owner paid Hotel tax to the city.</p> <p>After five years, the rental must come into compliance with parking standards.</p> <p>After seven years, the rental must come into full compliance.</p>
Lincoln City, OR	A vacation rental that is not a conditional use and was approved prior current standards can continue operation provided that the owner obtains an annual vacation rental dwelling license until the license holder sells, transfers, or conveys the property.
Newport, OR	Vacation rental uses located outside the Vacation Rental Overlay Zone shall cease upon the sale or transfer of the units.
Seaside, OR	All non-hosted short-term rentals in existence prior to current standards are approved for the period of one year from the effective date of the ordinance.

Production Limit Policies	
Prohibition Policies: <i>Use is not allowed in as determined by zoning district, permit, or procedure.</i>	
Hood River, OR	Use is not permitted in Accessory Dwelling Units, rooms within a recreational vehicle, travel trailer, or tent or other temporary shelter.
Walla Walla, WA	Operation by requires simultaneous occupation by homeowner for short-term rentals in operation after the date of the ordinance. Owner-occupied homeshare operations are permitted.
Non-regulation Policies: <i>No permits required by the city.</i>	
Oregon City, OR	Use is defined as a bed and breakfast/boarding house, and no special permits beyond the base zone and conditional use process are required.

Concentration Limits	
Citywide Cap Policies: <i>A defined number of operations are allowed to occur within the jurisdiction. Typically defined as an explicit number of allowable permits or tied to a percentage of lots by zoning designation (i.e., up to 10% of lots in R-1, 8% in R-2, and 6% in R-3).</i>	
	The number of short-term rentals in the city shall not exceed five percent of the total number of detached single-family homes in the city (calculated at the time the permit is issued).
Dundee, OR	Infrequent short-term rentals (four or less rental periods and fewer than 30 total days per calendar year) do not count towards the cap. Any short-term rental renewal is not required to demonstrate they are within the five percent limit. If the cap is reached, no permits will be issued until a sufficient number of short-term rental units do not renew or the number of total units in the city grows.
Seaside, OR	The City Council may establish the maximum allowable number of non-hosted short-term rental licenses, projecting forward the cap for up to three years. There is no limit on hosted-short-term rentals.
Subarea Caps: <i>Creates subareas or districts which each receive an assigned number of operating units such as "up to 10 operations in Subarea A, up to 10 operations in Subarea B, and 15 operations in Subarea C."</i>	
Lincoln City, OR	The number of vacation rental dwelling units operating without limits on the number of nights rented in the R1-5 zone shall not exceed 10% of the total number of lots in the zone. When the number of non-conforming unlimited vacation rental dwellings in the R1-RE zone is reduced to 10 percent of the total number of lots in the

	zone, a cap is triggered and all existing nonconforming vacation rental dwellings under the cap are rendered permitted uses.
Newport, OR	The total number of vacation rentals within the Vacation Rental Overlay shall be 176 dwelling units. If the number is reached, a first-come, first serve waiting list shall be established.
Density-based Policies: <i>Limit the number of allowable operations by density such as "no operations allowed adjacent to one another" or "no operations may occur less than 500 feet from one another."</i>	
Ashland, OR	<p>The property is located within 200' of a boulevard, avenue, or neighborhood collector.</p> <p>Shall not exceed nine units per approved rental with a frontage on boulevard streets. For lots without boulevard frontage but within the 200' foot buffer, a maximum of seven units.</p> <p>The total number of units, including the owner's is equal to the total sq. ft. / 1,800 sq. ft. (contiguous lots under the same ownership may be combined to increase the maximum units, but not in excess of other limits.</p>
Dundee, OR	<p>No frequent (Type II) short-term rental shall be located adjacent to any permitted Type II short-term rental.</p> <p>The Planning Commission may approve contiguous permits as a conditional use permit.</p>
McMinnville, OR	Short-term rentals shall not be located within 500' of another short-term rental, or on the same property as another short-term rental.
Newport, OR	<p>Vacation rentals are limited to a single building on a lot or group of lots that abut a street segment (for corner lots, this applies to both street segments).</p> <p>A conditional use permit may authorize more than one vacation rental on street segments in R-1 and R-2 zones where more than 10 or more lots front the street. (In these cases, no more than one vacation rental may be permitted for every 5 lots fronting the street.)</p>
Seaside, OR	<p>Limits the amount of approved vacation rental dwellings within 100' of an applicant's property depending on their zone:</p> <ul style="list-style-type: none"> • R-R: no density requirement • R-2 or R-3: 30 % or 50% (depending on location within the zone)
Paso Robles, CA	<p>R-1 zone: 100' minimum separation distance (does not apply to a second permit on the same lot).</p> <p>All other zones: 0' minimum.</p>

Days of Use Policies: *Limit the portion of the calendar during which operations may be occupied such as "shall only be occupied as a short-term rental between May 1 and September 30 of a calendar year."*

Dundee, OR	For infrequent short-term rentals, sets a maximum allowance of four rental periods and a maximum 30 days in a calendar year. For standard short-term rentals, sets a standard of less than 28 days at any one time.
Hood River, OR	In the C-1 and C-2 zones, allows 365 nights per year. For conforming rentals in R-1, R-2, and R-3 zones, allows up to 90 nights per year. For non-conforming rentals in R-1, R-2, and R-3 zones, limited to the maximum number of nights of transient rental when previously occurred in one calendar year between 2013 and 2016 (date of ordinance). The applicant has burden of proof.

Ownership Limitation Policies: Limit the number of short-term rentals or permits that may be held by one owner or applicant.

Dundee, OR	No person or principal shall possess more than one short-term rental permit.
Hood River, OR	Limit of one short-term rental license per owner and one license per dwelling unit.
Lincoln City, OR	In residential zones, the owner must not have an ownership interest in any other property in a residential zone used as a short-term rental.
Seaside, OR	One vacation rental dwelling conditional use permit per owner or ownership.

Homeshare Policies: *Limits short-term rentals to be occupied only when the property owner is also on-site.*

Hood River, OR	Only permitted accessory to continued residential use a primary dwelling of owner, and limited to 90 days per year.
Oregon City, OR	The owner/operator shall reside in or in an adjacent residence.
Walla Walla, WA	Property must be owner-occupied.
Paso Robles, CA	Distinguishes standards and criteria for homeshare versus non-homeshare as separate regulatory tracks.

Miscellaneous Limitations

Seaside, OR	Requires a waiting period of 90 days after a property is sold prior to an application being accepted for a conditional use permit unless the property
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	<p>was previously licensed as a vacation rental dwelling and the license was valid at the time of sale. Does not apply where the density threshold is 100%.</p> <p>A two-year waiting period is required after a property is issued a Certificate of Occupancy for all new construction.</p>
Walla Walla, WA	Rental license includes a rental history report of previous bookings.
Paso Robles, CA	The primary residence on the site must be at least 20-years old.

Operation Standards			
Maximum Occupancy Regulations: <i>Limits the number of tenants in the short-term rental.</i>			
Dundee, OR	Allows up to two persons per bedroom plus two additional persons. Maximum of 10 people regardless of bedroom count.		
Hood River, OR	Allows up two persons per bedroom.		
Lincoln City, OR	Allows an occupancy that is three times the number of bedrooms plus one additional occupant, not to exceed 16 occupants (except in rental constructed to code and in commercial districts.)		
McMinnville, OR	Owner-occupied. No more than two guest rooms provided on a daily/weekly basis for no more than five total travelers.		
Newport, OR	Allows two people per bedroom plus two additional persons per property. A maximum of five bedrooms allowed in a vacation rental, and two bedrooms in homeshares.		
Oregon City, OR	The number of rooms to be used as overnight public accommodations shall not exceed four rooms in an underlying residential zone, or seven rooms in a non-residential zone.		
Seaside, OR	Three persons over the age of three to a maximum of 12 persons. (Occupancy over 10 requires a fire-suppression sprinkler system.		
Walla Walla, WA	Not more than five lodging units.		
Paso Robles, CA	# of Bedrooms	Total # of Overnight Occupants (7p-9a)	Total # of Daytime Occupants (9a-7p)
	0-1	2	6
	2	4	8
	3	6	10
	4	8	12
	5	10	14

Owner/Agent Proximity Regulations: *Requires the owner or designated agent to live within a certain proximity to the short-term vacation rental unit.*

Dundee, OR	The property owner must designate a local representative (may be the owner) that is physically located within the Dundee UGB or within 10 vehicular miles of the UGB.
McMinnville, OR	The property owner or appointed agent shall live within the 97128 Zip Code.
Seaside, OR	Local contact person shall be able to be physically present at the site within 60 minutes at any time the property is occupied for transient use.

Compliance Regulations

Registration Requirements: *Licenses and permits required to operate (as specified in code)*

Ashland, OR	Business License, TLT registration
Dundee, OR	Business License, TLT registration
Hood River, OR	Short-Term Rental Operating License (may be reissued up to four years after year of issuance)
Lincoln City, OR	Vacation Rental Dwelling License
Newport, OR	Land Use Compatibility Statement
Oregon City, OR	Business License, TLT Registration
Seaside, OR	Short Term Rental License
Walla Walla, WA	Development Authorization (land use decision), Transient accommodation license from the department of health.
Paso Robles, CA	Short Term Rental Permit (separate for each address or individual rental unit, valid for three years), Business License Tax Certificate
Solvang, CA	Vacation Rental Certificate, Business License Tax

Conveyance Policies: *Policies regulate the lifetime r duration of approved short-term rental operation.*

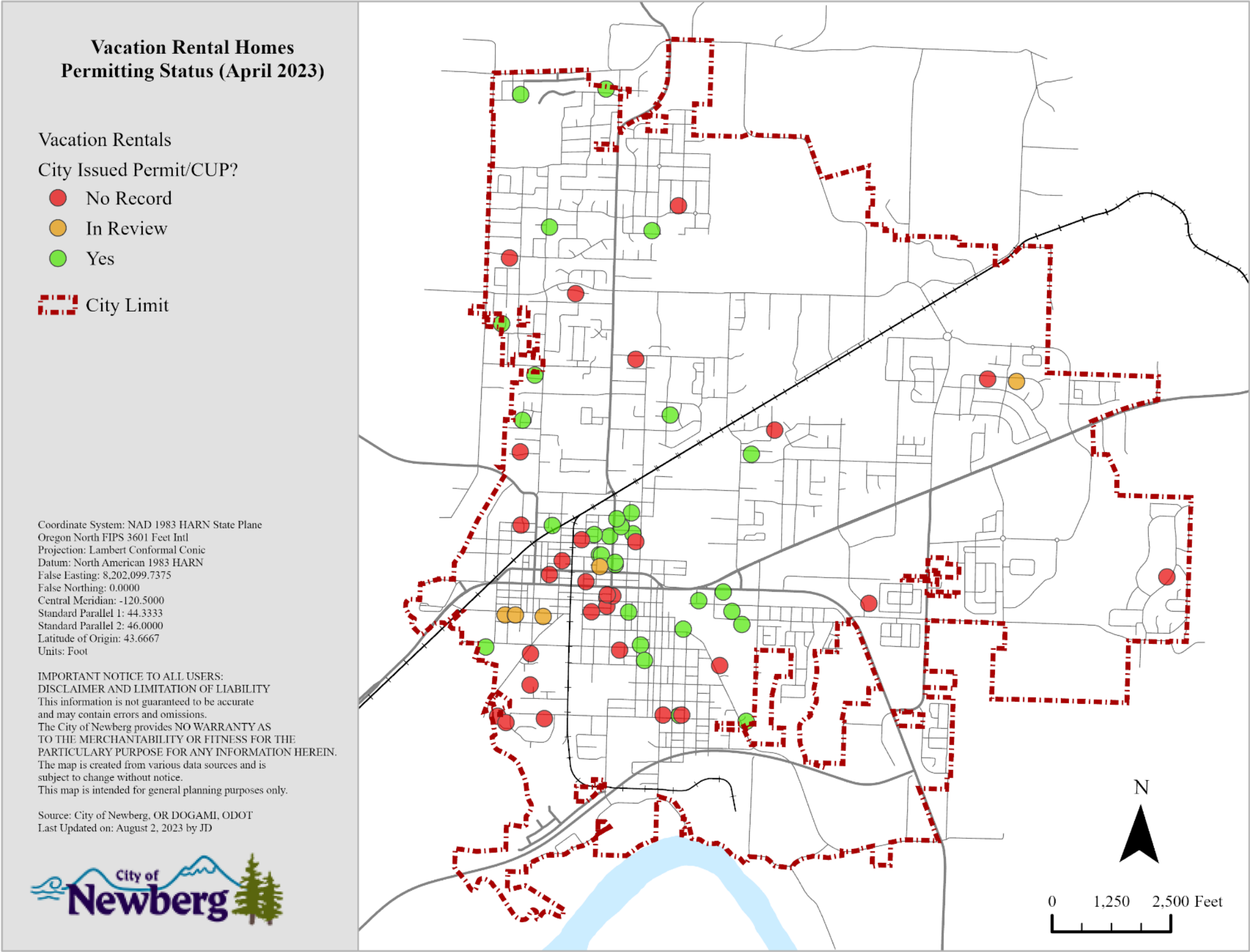
Dundee, OR	All short-term rental permit approvals will only be valid for the current property owner (not including transfers to trusts, LLCs, divorces, or similar changes in names, but not ownership). Any sale of the property will automatically invalidate the short-term rental permit.
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Lincoln City, OR	The approved use of the vacation rental dwelling in any zone in the name of the property owner and the approval, including any license, is not transferable. When the owner sells or transfers the property occupied or rented as a vacation rental dwelling, the approved use shall cease.
McMinnville, OR	Permits shall be issued to the current property owner at the time of the application. Permits do not transfer with the sale or conveyance of the property.

Selected Enforcement Mechanisms	
Dundee, OR	<p><u>Immediate complaints</u>: Complaints made to the short-term rental representative/fire or police department are addressed as a nuisance complaint. Complaints not intended to be reported to administrative staff or other departments.</p> <p><u>Standards complaints</u>: City notifies operator in writing within 30 days of complaint to correct issue. If three or more complaints are received within a year, a hearing before the Planning Commission is scheduled to consider additional conditions or revocation of the permit.</p>
Hood River, OR	The licensee shall maintain a record of complaints and the actions taken in response to the complaint.
Lincoln City, OR	In response to a complaint, city staff (including but not limited to police) make at least three attempts to contact the owner or agent, if not reached a report forwarded to city manager or designee.
McMinnville, OR	In addition to any other remedies for enforcement, up to and including full cost recovery for enforcement action, any Short-Term Rental operating without a valid and current permit may be subject to a daily citation/penalty. Repeat violations may result in revocation of the permit and preclude the ability to apply for a new permit for 12 months from the date of written revocation of the permit.
Walla Walla, WA	<p>Escalation of response with number of complaints received:</p> <ul style="list-style-type: none"> • First call and violation received is no charge; • Second call and violation is \$750.00; and • Third call and violation is \$1,000.00; and • Fourth call and violation results in revocation of permit and license.
Paso Robles, CA	The city shall maintain a non-emergency hotline telephone number for receiving complaints regarding the operation of any Short-term rental

	property to forward to the owner or police if not resolved. May revoke permit.
Solvang, CA	<p>Escalation of response with number of complaints received:</p> <ul style="list-style-type: none"> • First violation within 12 months: fine not to exceed \$1,000 and/or suspension of the permit not to exceed three months • Second violation within 12 months: fine not to exceed \$3,000 and/or suspension of permit not to exceed six months • Third violation within 12 months: fine not to exceed \$5,000 and/or suspension of permit not to exceed one year.

APPENDIX B. MAPS



**Density of Vacation Rentals
April 2023**

Vacation Rentals



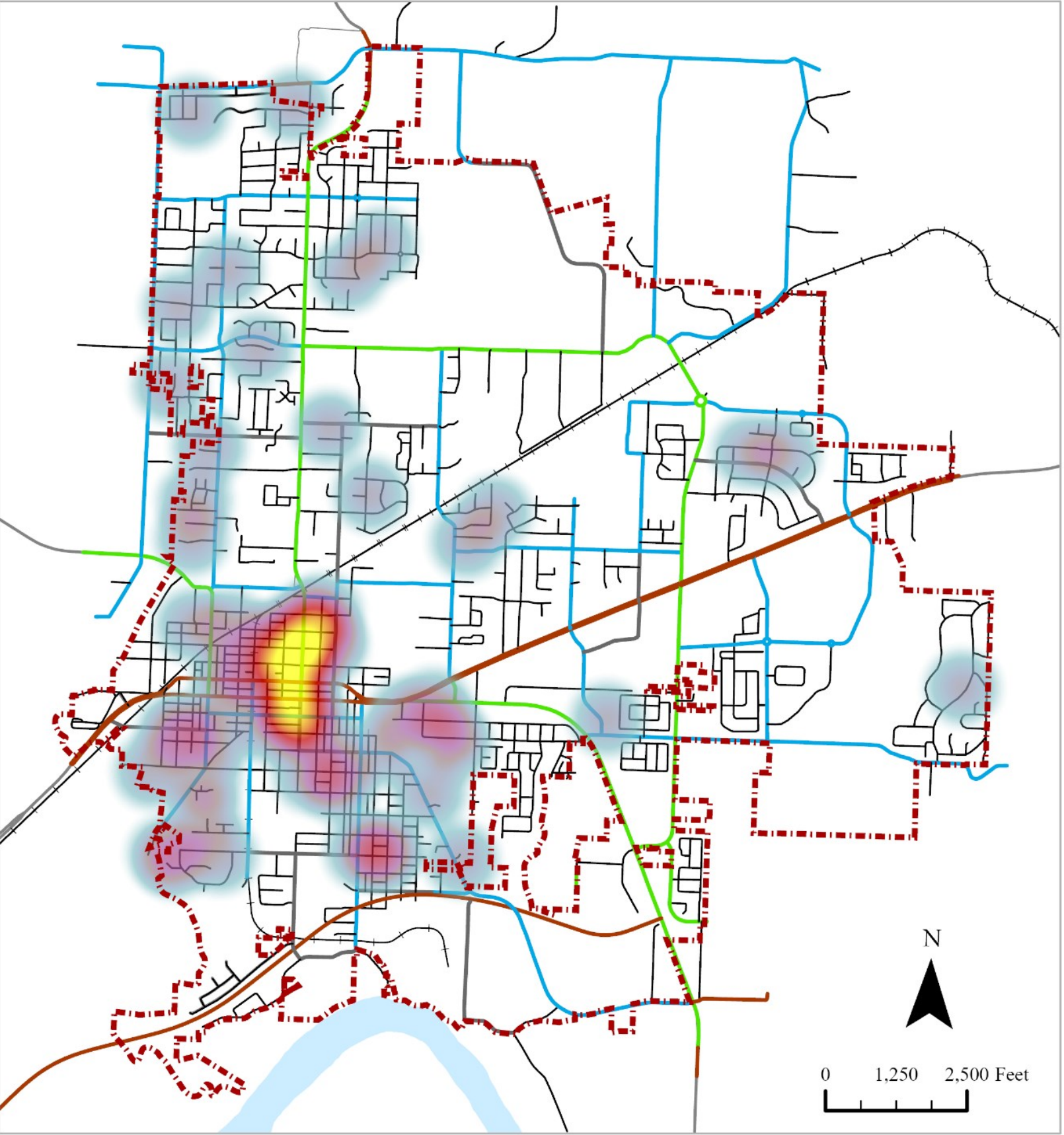
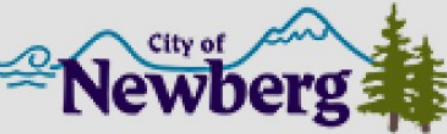
Street Classification



Coordinate System: NAD 1983 HARN State Plane
Oregon North FIPS 3601 Feet Intl
Projection: Lambert Conformal Conic
Datum: North American 1983 HARN
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False Northing: 0.0000
Central Meridian: -120.5000
Standard Parallel 1: 44.3333
Standard Parallel 2: 46.0000
Latitude of Origin: 43.6667
Units: Foot

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This map is intended for general planning purposes only.

Source: City of Newberg, OR DOGAMI, ODOT
Last Updated on: August 2, 2023 by JD



**Zoning Districts Permitting
Vacation Rental Homes**

Base Zoning District

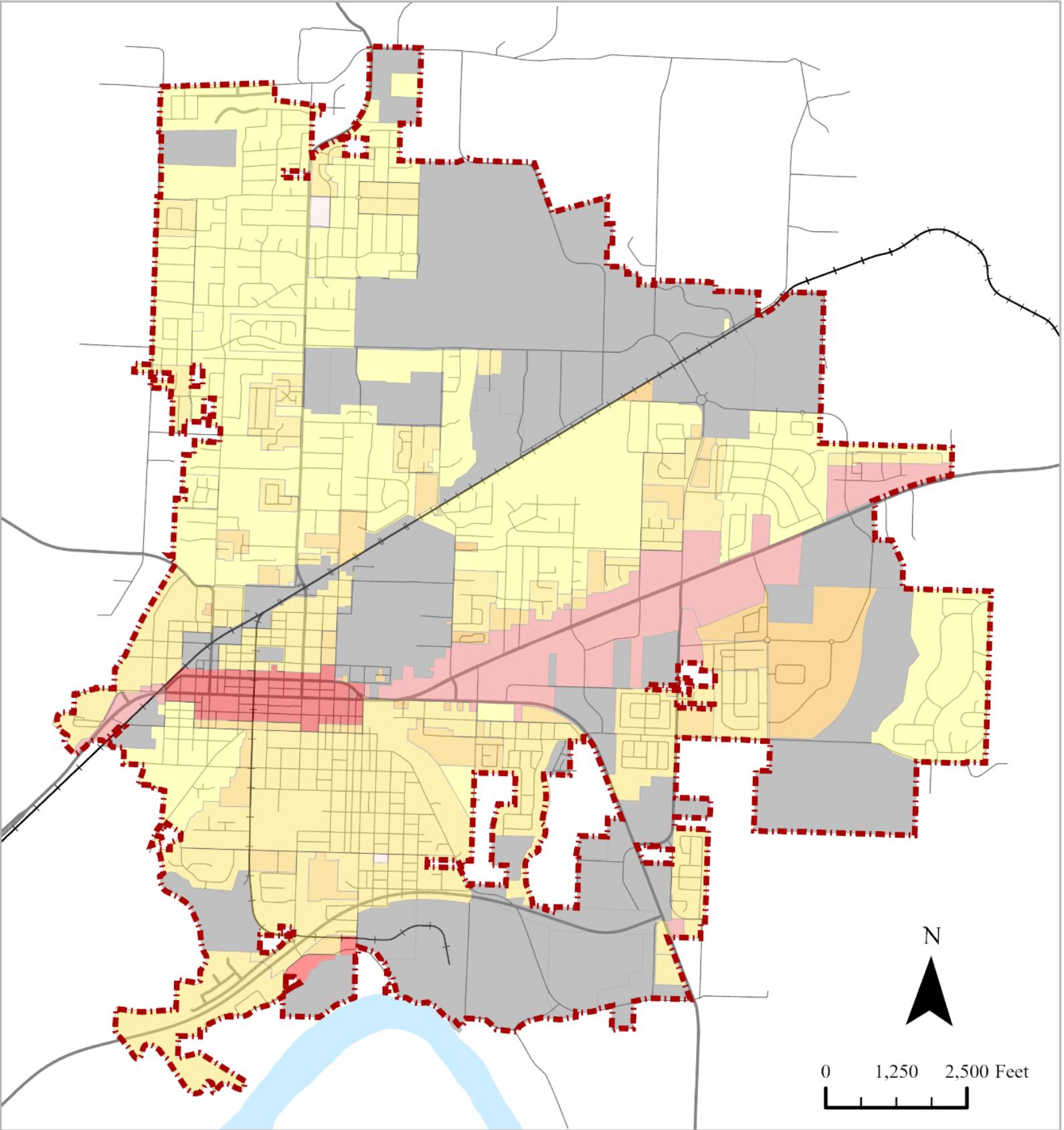
-  R-1 Low Density Residential
-  R-2 Medium Density Residential
-  R-3 High Density Residential
-  R-P Residential Professional
-  C-1 Neighborhood Commercial
-  C-2 Community Commercial
-  C-3 Central Business District
-  C-4 Riverfront Commercial District
-  Not Permitted

 City Limit






Coordinate System: NAD 1983 HARN State Plane
Oregon North FIPS 3601 Feet Intl
Projection: Lambert Conformal Conic
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Source: City of Newberg, OR DOGAMI, ODOT
Last Updated on: August 2, 2023 by JD



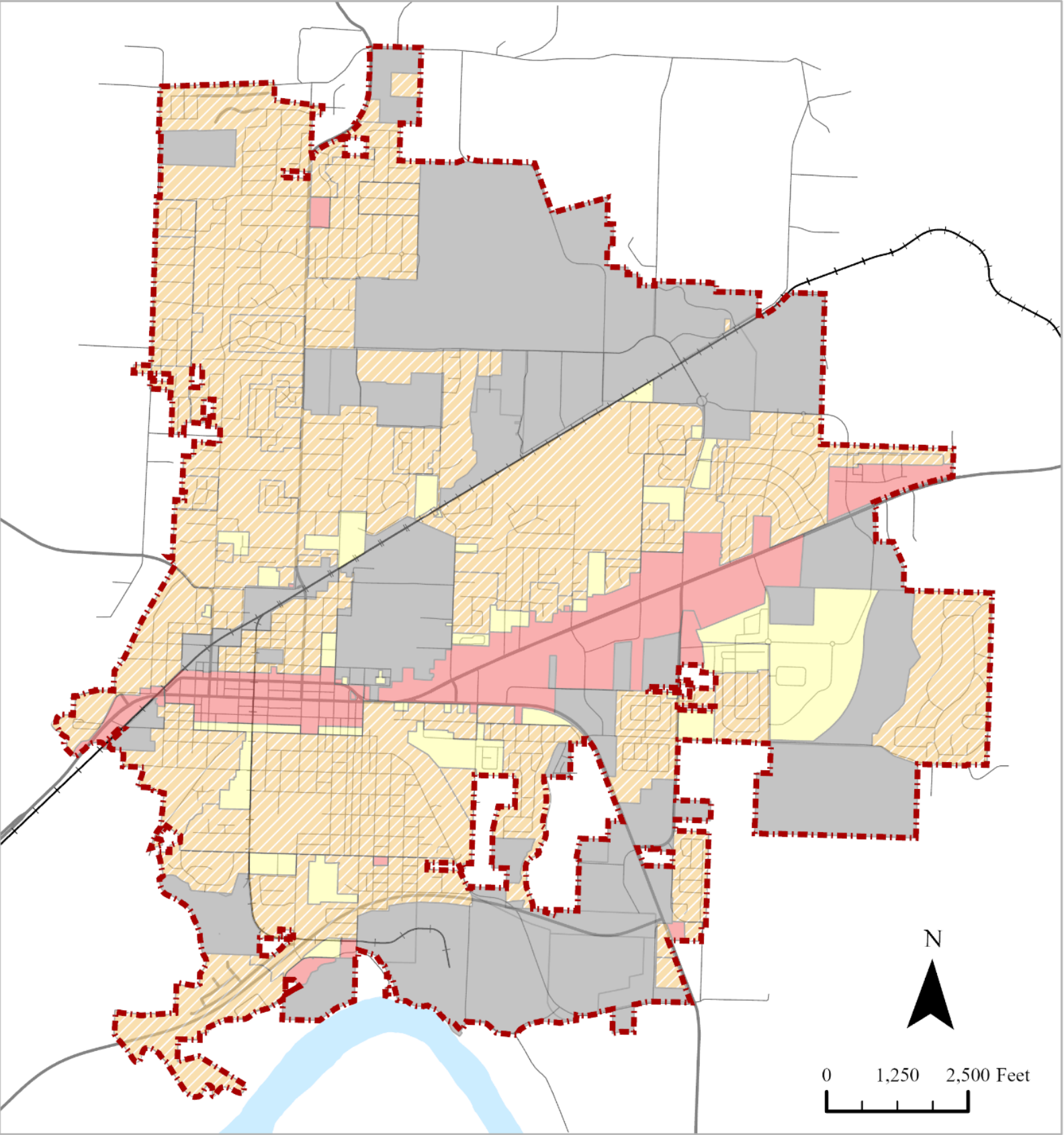
Vacation Rental Homes Review Process Types

-  Residential - Conditional Permit (Type III)
-  Residential - Special Use Standards (Type II)
-  Commercial - Special Use Standards (Type II)
-  Not Applicable
-  City Limit

Coordinate System: NAD 1983 HARN State Plane
Oregon North FIPS 3601 Feet Intl
Projection: Lambert Conformal Conic
Datum: North American 1983 HARN
False Easting: 8,202,099.7375
False Northing: 0.0000
Central Meridian: -120.5000
Standard Parallel 1: 44.3333
Standard Parallel 2: 46.0000
Latitude of Origin: 43.6667
Units: Foot

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This map is intended for general planning purposes only.

Source: City of Newberg, OR DOGAMI, ODOT
Last Updated on: August 2, 2023 by JD



MEMORANDUM

TO: Newberg Planning Commission
FROM:
SUBJECT: Anticipated Schedule of Planning Commission Activities
DATE: May 1, 2025

To assist the Planning Commission in gauging activities for FY 25/26, below is a preliminary schedule of activities.

May 8, 2025

- DCA24-0003 Vacation Rental Home Regulations Update (Hearing-Tentative)

June 12, 2025

- CUP25-0001 20' Extension to existing wireless facility (Tentative)

July 10, 2025

- DCA25-tbd Annual Development Code Maintenance (Work Session #1 - Concepts)

August 14, 2025

- DCA25-tbd Annual Development Code Maintenance (Work Session #2 - Draft Code)

September 11, 2025

- DCA25-tbd Annual Development Code Maintenance (Hearing)

TBD:

- SUB224-0001 10-Lot Subdivision at 1929 E Orchard Drive (Tentative)
- DCA18-0008 Small Cell Sites (Tentative)
- DCA19-0006 Development Code Amendment – Institutional Zone & Overlay Regulations

There are additional activities the Community Development Department may bring forward to the Planning Commission for consideration for land use cases. Staff is also looking at various updates and cleanup actions to the Development Code and other projects such as:

1. Other Items from the Planning Division's Work Program, which is available at newbergoregon.gov/planning, include:
 - a. Items related to the Newberg Urban Growth Boundary Project
 - b. Update requirements related to HOA's and stormwater facilities management
 - c. Code updates for compliance with statewide regulations including HB3395 (2023) and Commercial Conversions to Residential (HB2984)

- d. Street Tree and Planter Strips Update
- 2. Other Items from Prior Discussion with the Planning Commission
 - a. Appendix A revisions roadway cross-sections
 - b. Tentative – Military Banner Sign Regulations – Legislative
 - c. Annexation criteria
 - d. Stream Corridor Adjustment process
 - e. Urban Forestry program
 - f. Fences in Industrial zones
 - g. C-3 zone – reduce front yard landscaping from 10 feet to 5 feet
 - h. Industrial outdoor storage
 - i. Downtown sign point system
 - j. Roof top mechanical unit screening
 - k. Historic review process
 - l. Zoning Use Table
 - m. Undergrounding utilities
 - n. Driveway width
 - o. Home occupations
 - p. 15.405.030(B) – “The creation” ~~development~~ of lots under 15,000 sf.....
 - q. 15.302.010 – add R-4 to the list
 - r. Replace parking diagrams in 15.440.070 for readability
 - s. Replace airport overlay diagrams in back of Dev. Code for readability
 - t. Temporary Merchant standards
 - u. Food Carts
 - v. ADUs in industrial zones