

WALLA WALLA CITY COUNCIL
Regular Meeting Minutes
November 1, 2017

1. CALL TO ORDER

Mayor Pomraning called the meeting to order at 7:00 p.m. at the Walla Walla Public Library, 238 E. Alder Street.

Present: Councilmembers Jim Barrow, Barbara Clark, Jerry Cummins, Dick Morgan, Steve Moss, Tom Scribner, and Mayor Allen Pomraning.

Absent: None.

City staff in attendance: City Manager Nabel Shawa, City Attorney Tim Donaldson, Deputy City Manager Byron Olson, Development Services Director Elizabeth Chamberlain, Finance Director Jean Teasdale, Library Director Beth Hudson, and City Clerk Kammy Hill.

2. PLEDGE OF ALLEGIANCE/MOMENT OF SILENCE

Mayor Pomraning led the pledge of allegiance followed by a moment of silence.

3. PUBLIC COMMENTS

Mayor Pomraning invited public comments. No one in the audience chose to address the City Council at this time.

4. ACTIVE AGENDA

- A. Public review and comment on legislative proposals regarding short term rentals; and Ordinance No. 2017-33 amending Municipal Code Chapter 20.139 related to short-term rentals.

Development Services Director Chamberlain reviewed:

- History of work and meetings on this subject over the last two years.
- Planning Commission meetings and recommendation.
- City Council Work Sessions on short-term rentals in 2017 and the conclusion to separate regulations for type 1 (owner-occupied)

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short-term rentals from regulations for type 2 (non-owner occupied) short-term rentals.

- Type 2 short-term rental alternatives:
 1. Regulate and allow subject to a Level 2 use and permit fee.
 2. Ban non-owner occupied short-term rentals with allowance for non-conforming use. One option is requiring owners to prove that they were established and existing prior to the effective date of the ban (November 9, 2017). The second option would require that they were lawfully established and existing prior to the effective date of the ban.

There was discussion on:

- Effect of a ban on new Type 2 short-term rentals and allowance for existing rentals.
- Designated property manager and response to disturbance calls.
- Ordinance to ban short-term rentals does not have a minimum operating time frame for non-conforming use. It does require business registration. Staff will work diligently to process applications before the deadline of November 9.

City Clerk Hill reported the following written correspondence had been received and provided to Council after the Council packets had been distributed:

- Email from Jay Jennings and John Bailey dated October 31, 2017.
- Letter from Jean Dolling dated October 31, 2017.
- Email from Sue and Charles O'Neill dated November 1, 2017.

Mayor Pomraning declared the item open for public review and comments:

Penny Hawkins, 624 Hobson Street, Walla Walla, had questions regarding the requirements for operating a short-term rental.

Eldon Otis, 911 S. 4th, Walla Walla, owns a non-owner occupied short-term rental and sought assurance that it would be a non-conforming use since it is registered, and he pays taxes.

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Sybil Cochrane, 105 N. Spokane #3, Walla Walla, asked for clarification on what is considered a short-term rental, required inspections, and public safety.

Sandra Cannon, 803 Valencia, Walla Walla, spoke in support of banning non-owner occupied short-term rentals.

Casey Carlyle, 537 Washington Street, Walla Walla, felt regulating short-term rentals is trampling on private property rights and was strongly opposed to a ban.

Norbert Rossi, 186 Kimberly Court, Walla Walla, spoke in support of banning non-owner occupied short-term rentals.

Diana Broze, 104 N. Division Street, Walla Walla, spoke in support of banning any new short-term rentals.

Mark Currier, 310 Whitman Street, Walla Walla, asked whether service animals will be allowed if short-term rentals are regulated.

Jack Copperman, 1135 Bonsella, Walla Walla, expressed concerns with the possibility of police not responding to disturbance calls at short-term rentals if neighbors are required to contact the property manager.

Carlan Bradshaw, 1331 Whitman Street, Walla Walla, spoke in support of banning non-owner occupied short-term rentals.

Toby Hatley, representing the Washington Hospitality Association, Spokane, spoke in support of efforts to regulate short-term rentals.

Warren Rude, 243 E. Birch Street, Walla Walla, spoke in support of banning non-owner occupied short-term rentals.

Catherine Stueckle, 440 NE Birch, Issaquah, spoke in opposition to banning non-owner occupied short-term rentals.

Kevin Givens, 453 Blalock, Walla Walla, spoke in opposition to banning non-owner occupied short-term rentals.

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Melissa Tetz, 805 ½ Main Street, Walla Walla, commented on the need for economic flexibility in the real estate market and spoke in opposition to banning non-owner occupied short-term rentals.

Jeff McDiarmid, 59 Kensington Place, Walla Walla, spoke in support of regulating short-term rentals but not banning.

Janet Heard, 316 N. Tukannon, Walla Walla, spoke in favor of banning non-owner occupied short-term rentals.

Todd Brandenburg, 2727 Jessica Lane, Walla Walla, spoke in opposition to banning non-owner occupied short-term rentals.

Beth Powers, 1881 Loubeck Street, Walla Walla, spoke in support of banning non-owner occupied short-term rentals.

Sam Galano, 217 N. Division, Walla Walla, spoke in opposition to banning non-owner occupied short-term rentals.

Lawrence Paollela, 253 Marcus, Walla Walla, spoke in support of banning non-owner occupied short-term rentals.

Gayle Bodorff, 537 Bryant Avenue, Walla Walla, spoke in support of banning non-owner occupied short-term rentals.

Casey Davenport, 201 N. Clinton, Walla Walla, opposed a ban on non-owner occupied short-term rentals.

Dave Fogarty, 1680 Cambridge, Walla Walla, spoke in support of banning non-owner occupied short-term rentals.

Michael Wilcsek, 333 Whitman Street, Walla Walla, opposed banning non-owner occupied short-term rentals.

Alicia Riley, 1128 Hobson Street, Walla Walla, opposed banning non-owner occupied short-term rentals and expressed concerns with the cost of the permit application.

Bruce Hallowell, 255 W. Sumach, Walla Walla, opposed banning non-owner occupied short-term rentals and expressed concerns with enforcement.

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Lisa Anderson, 1115 W. Pine Street, Walla Walla, opposed banning non-owner occupied short-term rentals.

Jim Harold, 3030 Brisbane Street, Walla Walla, spoke in opposition to banning or over-regulating non-owner occupied short-term rentals.

Coralee Mackey, 333 Whitman Street, Walla Walla, opposed banning non-owner occupied short-term rentals.

Brian Duvall, 29 E. Sumach, Walla Walla, commented that there is a place in the community for short-term rentals and their importance as a recruitment tool for business opportunity.

Alexa Palmer, 20 S. Blue Street, Walla Walla, spoke in opposition to banning non-owner occupied short-term rentals.

R.L. McFarland, 3731 Middle Waitsburg Road, Walla Walla, commented on the long-term effect of not having affordable housing and that businesses should not be located within residential zones.

Carol Duvall, 29 E. Sumach, Walla Walla, outlined benefits of short-term rentals and spoke in opposition to banning non-owner occupied short-term rentals.

Barlow Corkrum, 206 Stanton Street, Walla Walla, asked the City Council to ban all non-owner occupied short-term rentals in residential zones.

The meeting was recessed at 9:02 p.m. and reconvened at 9:12 p.m.

Laurie Wolfram, 781 Clay Street, Walla Walla, spoke in support of allowing non-owner occupied short-term rentals.

Mayor Pomraning closed the public review and comment period.

Development Services Director Chamberlain responded to the questions raised during public comments.

City Clerk Hill read a letter submitted on behalf of Candace Rose.

There was discussion on:

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- Non-owner occupied short-term rentals do not fit the goals of the community when investors are purchasing housing for commercial purposes.
- Impact of non-owner occupied short-term rentals on affordable housing.
- Zoning is to ensure that residential neighborhoods are protected from commercial activities. Existing short-term rentals are concentrated in certain neighborhoods which is distorting their impact on the community.
- Enacting a ban will still allow the non-owner occupied short-term rentals to continue lawfully operating as a non-conforming use.
- Benefit of Alternative 2, Option 2 seems to be a reasonable solution as it will allow lawfully operating non-owner occupied short-term rentals to continue operating but will not allow any new ones to begin operation.
- Appearance of taking private property rights and inability to regulate by density.
- There are legitimate opinions to both sides of the issue. Zoning regulations bring balance to competing interests.
- Importance of regulating for health and safety.

Councilmember Scribner moved to adopt Ordinance No. 2017-33 to ban short term rentals by owners who do not reside at the rental location, with option 2. Councilmember Clark seconded the motion.

Councilmember Cummins moved to amend Ordinance No. 2017-33 to strike Paragraph H of Municipal Code Section 20.139.100 that reads "All short term rental type 2 uses must cease upon expiration of a reasonable amortization period established by ordinance." Councilmember Morgan seconded the motion.

There was discussion on the proposed amendment.

The motion to amend Ordinance No. 2017-33 to strike Paragraph H of Municipal Code Section 20.139.100 that reads "All short term rental type 2 uses must cease upon expiration of a reasonable amortization period established by ordinance." carried with 4 yes votes by Councilmembers Cummins, Morgan, Moss and Scribner and 3 no votes by Councilmembers Barrow, Clark, and Mayor Pomraning.

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The motion to adopt Ordinance No. 2017-33 as amended carried with 5 yes votes by Councilmembers Barrow, Clark, Cummins, Scribner, and Mayor Pomraning and 2 no votes by Councilmembers Morgan and Moss.

The meeting was recessed for a break at 10:08 p.m. and reconvened at 10:10 p.m.

- B. Ordinance No. 2017-34 adopting a ward voting system for election of City Council Members.

Staff reported that Council had held a public meeting and directed that an ordinance be prepared for consideration. Council will need to specify the number and which positions will be elected by wards.

Mayor Pomraning invited public input.

Sharon Shiller, 1414 Topaz, Walla Walla, spoke in opposition to electing Councilmembers by wards and felt it was wasteful for the City to implement.

Marilee McQuarrie, 40 Wilshire Street, Walla Walla, read letter in opposition to election of Councilmembers by wards and suggested dividing the City into divisions with selected representatives to discuss issues with Council.

Myron Huie, 621 E. Tietan, Walla Walla, spoke in opposition to electing Councilmembers by wards.

Riley Clubb, 700 Liberty, Walla Walla, felt the election of members by wards is required under the voting rights act and suggested four wards with 3 members elected at-large.

There was discussion on:

- Delaying a decision until the election is over and new members are seated. There is no impact to elected officials in their current term.
- Likelihood of litigation against the City if the election method is not changed. City Attorney Donaldson reported that Federal law requires right to fair opportunity and Walla Walla does not have the same history as Yakima or Pasco. Council should not let the threat of a lawsuit sway their decision.
- The number of seats and positions proposed to be elected by wards.

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Councilmembers expressed their individual opinions on the election of members by wards.

Councilmember Scribner moved to adopt Ordinance No. 2017-34 adopting a ward voting system for election of City Council Members with Section 2 designating the election of four members by wards and Section 3 designating those positions for wards as 1, 3, 5, and 7 with positions 2, 4, and 6 being at-large. Councilmember Morgan seconded the motion.

There were additional comments by Council on the proposal.

The motion to adopt Ordinance No. 2017-34 adopting a ward voting system for election of City Council Members with Section 2 designating the election of four members by wards and Section 3 designating those positions for wards as 1, 3, 5, and 7 with positions 2, 4, and 6 being at-large carried with 4 yes votes by Councilmembers Morgan, Moss, Scribner and Mayor Pomraning and 3 no votes by Councilmembers Barrow, Clark and Cummins.

- C. Public hearing on property taxes and other forms of revenue for 2018; and Resolution 2017-100 authorizing property tax increases for debt service on voter approved bonds (police station, fire station, and Memorial Pool); and Resolution No. 2017-101 authorizing a regular property tax increase of one percent.

Staff reported this is the required public hearing on the 2018 property tax levy and revenues. The ordinances levying the property taxes will be brought before Council for adoption on November 15. The revenue sources for the City were reviewed and staff concurs with the Finance Committee's recommendation to bank the one percent levy increase. Resolution No. 2017-101 has been amended to bank the one percent property tax levy increase.

There were comments on the increase in property tax revenue even without the one percent increase due to annexations and new construction; and the impact of banking the one percent increase.

Mayor Pomraning declared the public hearing open at 11:14 p.m. There being no public testimony, the public hearing was closed.

Councilmember Barrow moved to adopt Resolution No. 2017-100. Councilmember Cummins seconded the motion. The motion unanimously carried with 7 yes votes and 0 no votes.

Councilmember Barrow moved to adopt Resolution No. 2017-101 to bank the one percent property tax levy increase. Councilmember Clark seconded the motion. The motion unanimously carried with 7 yes votes and 0 no votes.

5. COUNCIL MEMBER MEETING REPORTS

Councilmember Cummins reported on recent lobbying efforts in Washington D.C. related to the Mill Creek study.

6. UNFINISHED AND NEW BUSINESS

There was no unfinished or new business.

7. ADJOURNMENT

There being no further business, the meeting adjourned at 11:23 p.m.