

# CITY OF MOSIER

small enough to make a difference

## Staff Report

Meeting Date: 10/5/22

Staff: John Grim – City Engineer.

Agenda Title: EV Charging Station – Bid Rejection and Next Steps.

Agenda Action: Motions to Approve Rejection of Bids, Waive Competitive Bidding Rules and Request Additional Grant Funding.

Fiscal Impact: Approximately \$5,000 for City Engineering Services.

Staff Recommendation: Reject the EV Charging Station Bids. Waive Competitive Bidding Rules and Request Additional Grant Funding.

### **Background:**

The City received an EV Charging Station grant of \$215,000 on Dec. 17, 2020 from Pacific Power to build an Electric Vehicle (EV) Charging Station, Bike Charging Station and Solar Table. The project was approved by City Council. Conifer Energy Partners worked with its engineering sub-contractors to prepare design plans and specifications. The City Engineer prepared the bid documents and completed the bidding process. Bids were opened on July 6<sup>th</sup>, 2022. Three bids were received and all were much higher than the construction budget (\$204,000). See attached bid tabulation. The low bid was \$411,760 and submitted by Artistic Excavation of Hood River. Their primary electrical subcontractor is Coburn Electric also of Hood River. Most of the construction cost is electrical work. I notified Artistic that this bid was not within the City's budget and the City could not accept it. I don't believe their bid price is reasonable based on bids from another similar project and my professional judgment. We attempted to negotiate a lower bid with Artistic but they were not willing to reduce the bid to an amount that is financially feasible or reasonable, in my opinion.

We did anticipate that bids would exceed the City budget due to construction and material inflation over the past two years – estimated to be almost 40 percent. Our contingency plan was to eliminate non-essential components of the project, including the solar table and the E-bike charging station. However, Artistic was not willing to accept our proposed deletions.

We have met with Pacific Power's contract representative on two occasions subsequent to the bid opening. Pacific Power may be willing to provide additional grant funding if the City can obtain a reasonable quote. We believe that a reasonable price is \$300,000 or less. We have proposed to Pacific Power to begin an informal request for quotes from contractors to build this project. They agreed to this approach and would like to meet again if, and when, we receive a reasonable quote.

**Proposal:**

**Bid Rejection:**

Pursuant to the Contract Documents, the City of Mosier reserves the right to reject any or all bids. I propose rejection of all bids.

**Special Procurement:**

I recommend that the City attempt to obtain bids for the project, not exceeding \$300,000, with the ability to eliminate bid items if necessary to stay under this limit. Bid items that are on the chopping block include the solar table and the E-bike charging station. Note that the E-bike charging station could be added to the scope of work of the Bike HUB project.

I am working with our consultant and Pacific Power on strategies to acquire a fair bid. MMC Section 3.01.080D allows the City to exempt public improvement contracts from competitive bidding. I believe this exemption will be necessary to obtain a fair bid. The Code language is shown below in *italics* with findings in **red text** under each section.

*D. Public Improvement Contracts. The City Council may exempt a public improvement contract or a class of public improvement contracts from competitive bidding upon approval of written findings described below. Exemption under this section shall occur only after a public hearing before the City Council noticed by posting and publication at least 14 days before the hearing:*

**The public hearing notice was posted and published on Sept. 21<sup>st</sup>.**

*1. Required Findings:*

*a. It is unlikely that the exemption will encourage favoritism in the awarding of public improvement contracts or substantially diminish competition for public improvement contracts; and*

**Staff will select contractors/suppliers based on availability, qualifications, equipment requirements and cost – favoritism will not be a criterion for selection.**

*b. The awarding of public improvement contracts under the exemption will result in substantial cost savings to the City.*

**We intend to delay the notice to proceed for up to six months. Delaying the project start date may allow more contractors to bid the work – creating competition and lowering cost. We intend to purchase the EV chargers directly, substantially reducing the cost by eliminating the contractor’s markup. Note that the bid price for the chargers in the Artistic Bid was \$180,000; double the cost to the City.**

*2 In granting an exemption under this section, the City shall, when appropriate, use alternate contracting methods that take account of market realities and modern practices and are consistent with the public policy of encouraging competition.*

**The City will use an alternate contracting method. Our intent is to contact many contractors directly, particularly electricians and local general contractors, and develop a list of subcontractors available to team on the project. Our hope is to facilitate the preparation of bids and create more competition. The City will request informal bids, waive formal bidding rules and offer to delay the notice to proceed for up to six months.**

The City will buy the EV chargers directly from ChargePoint's local distributor. Based on our investigation, the ChargePoint chargers are the only chargers that conform to the City's design specification and required functionality.

3. *A public improvement contract may be exempted from competitive bidding if emergency conditions require prompt execution of the contract. If the City declares an emergency, any contract awarded under this subsection must be awarded within 60 days following declaration of the emergency.*

Not applicable.

4. *An exemption under this section may authorize or require the award of a public improvement contract by competitive proposals. A contract awarded under this subsection may be amended only upon approval of the Mayor.*

We intend to request informal competitive proposals.

Using Special Procurement will allow the City to waive competitive bidding rules and develop innovative and strategic solutions for procuring a fair bid. For this reason, I recommend approval of Special Procurement for the EV Charging Station project.

#### **Request for Additional Funding:**

I recommend pursuing additional grant funding from Pacific Power; if a reasonable proposal can be obtained.

Note that there will be a massive influx of federal funding for EV charging stations beginning in 2023 with up to 75% grant funding available from ODOT.

#### **Alternatives:**

The City Council may approve the recommended actions, or delay a decision and request additional information or either substantially delay or terminate the project.

#### **Motions:**

**Proposed Motion.** Suggested motion: "I move to reject the bids received for the EV Charging Station project."

**Proposed Motion.** Suggested motion: "I move to exempt the City from competitive bidding rules for the EV Charging Station project and authorize the City Engineer to work with the consulting team to acquire informal competitive proposals using all available legal and appropriate means."

**Proposed Motion.** Suggested motion: "I move to authorize the City Engineer to request additional grant funds from Pacific Power if a reasonable quote can be obtained."

City of Mosier  
EV Charging Station Project  
Bid Tabulation

SCHEDULE OF PRICES			Granite Construction Company			Crestline Construction		Artistic Excavation	
Item	Quantity	EV Charging Station (EVCS) Equipment & Services	Units	Unit Price	Total Price	Unit Price	Total Price	Unit Price	Total Price
1	1	Mob/Demob Site Prep and Clean Up	LS		\$30,000		\$25,000		\$21,700
2	2	CFCI Level 3 DC EV Charging Station (EVCS)	Each	\$84,750	\$169,500	\$74,000	\$148,000		\$120,000
3	2	EVCS Paired Install, Validation, & Commissioning by EVCS manufacturer rep.	Each	\$4,200	\$8,400		\$11,500		\$60,000
		<b>Construction &amp; EVCS Site Prep</b>		<b>TOTAL</b>	<b>\$207,900</b>	<b>TOTAL</b>	<b>\$184,500</b>	<b>TOTAL</b>	<b>\$201,700</b>
4	1	Project Area Grading	LS		\$6,600		\$3,500		\$4,500
5	1	Sawcut, Trenching, Conduit, & Backfill across Highway 30	LS		\$54,000		\$31,000		\$33,050
6	1	Schedule and Coordinate New Electrical Service Installation by Pacificorp	LS		\$3,000		\$50,000		\$40,000
7	1	Electrical Distribution Panel Installed	LS		\$15,000		\$42,000		\$20,000
8	1	Conduit & Electrical Wiring Provisions for EVCS	LS		\$18,500		\$22,300		\$15,000
9	1	Conduit & Electrical Wiring Provisions for E-Bike Charging/Parking	LS		\$68,500		\$22,300		\$20,000
10	1	Conduit & Electrical Wiring Provisions for Light Pole	LS		\$19,000		\$22,300		\$5,000
11	1	Concrete Pads for EVCS	LS		\$9,600		\$3,450		\$2,500
12		Concrete Pad for E-Bike Parking			\$3,200		\$3,450		\$3,000
13		Concrete Pad for Solar Table			\$6,300		\$3,450		\$3,500
14	26	Gravel for Concrete & Asphalt Leveling (3/4" Minus, 4" Depth for Concrete, 2" Depth for Asphalt)	Tons	\$250	\$6,500	\$200	\$5,200	\$35	\$910
15	14	Asphalt for EVCS Parking Area (Level 2, 1/2" nominal, 3" Depth)	Tons	\$1,000	\$14,000	\$2,000	\$28,000	\$375	\$5,250
16	35	Gravel for Asphalt Base (1.5" Minus, 8" Depth)	Tons	\$200	\$7,000	\$166	\$5,810	\$35	\$1,225
17	690	Geotextile Fabric	SQFT	\$1	\$662	\$1	\$690	\$3	\$1,725
18	1	All Signage, Bollards, Wheelstops, and Striping	LS		\$24,000		\$15,500		\$7,900
		<b>E-Bike Charging Rack Installation</b>		<b>TOTAL</b>	<b>\$255,862</b>	<b>TOTAL</b>	<b>\$258,950</b>	<b>TOTAL</b>	<b>\$163,560</b>
19	1	7-Bike Capacity Round Loop Rack, Installed	LS		\$7,400		\$3,500		\$1,500
20	1	E-Bike Charger Enclosure for (5) City Provided Chargers & CFCI Outlet Bar	LS		\$8,300		\$14,250		\$5,000
		<b>Light Pole and Pole Base Footing/Foundation</b>		<b>TOTAL</b>	<b>\$15,700</b>	<b>TOTAL</b>	<b>\$17,750</b>	<b>TOTAL</b>	<b>\$6,500</b>
21	1	Light Pole, Fixture, & Base Footing/Foundation	LS		\$35,000		\$12,000		\$15,000
		<b>Table with Solar + Storage Powered Awning</b>		<b>TOTAL</b>	<b>\$35,000</b>	<b>TOTAL</b>	<b>\$12,000</b>	<b>TOTAL</b>	<b>\$15,000</b>
22	1	Lumos SolarZone Awning Table, Or Equal, & Mounting Hardware	LS		\$32,000		\$34,000		\$25,000
				<b>TOTAL</b>	<b>\$32,000</b>	<b>TOTAL</b>	<b>\$34,000</b>	<b>TOTAL</b>	<b>\$25,000</b>
				<b>GRAND TOTAL</b>	<b>\$546,462</b>	<b>GRAND TOTAL</b>	<b>\$507,200</b>	<b>GRAND TOTAL</b>	<b>\$411,760</b>

# CITY OF MOSIER

small enough to make a difference

## Staff Report

Meeting Date: 10/5/22

Staff: John Grim – City Engineer

Agenda Title: Water Project, Phase 2 – Bid Rejection and Exemption from Competitive Bidding.

Agenda Action: Motion to Approve Rejection of Bids and Obtain Competitive Proposals.

Fiscal Impact: Can't be Identified at this Time.

Staff Recommendation: Reject the Bids. Evaluate Feasible Procurement Options and Obtain Proposals.

### **Background:**

The City recently advertised for bids for Phase 2 of the water project (the new backup well aka Well No. 5). The City opened competitive bids on August 16<sup>th</sup>. One bid was received from Crestline Construction. Their bid total is \$1.49M. The City's budget for this phase is approximately \$651K. I notified Crestline that this bid was not within the City's budget and the City could not accept it. See attached bid tabulation analysis. This bid is representative of recent bids for public works projects throughout the State. The combination of: limited competition due to high demand and a small number of qualified well drillers, supply chain shortages, inflation, and excessive profiteering is resulting in an unprecedented bidding climate. Their bid price is not reasonable. The well drilling subcontractor's bid, in particular, represents price gouging.

We did anticipate that bids would be high due to construction and material inflation over the past two years – estimated to be almost 40 percent. Our contingency plan was to eliminate non-essential components of the project by designing a facility that is no frills. In addition, we included a contract provision allowing the contractor to delay work for a period of six months, if necessary to schedule the well drilling work. Given the current bidding climate – it is very unlikely that future bids for this project will be within budget even if there is substantial competition. In a nutshell more funding, amount unknown, will be needed. The City will need funding from revenue received from the surplus property or from another yet to be determined source. USDA will not allow the City to proceed with construction until all funding is in place.

Note that Phase 1 of the water project is finished and it was completed under budget.

### **Proposals:**

#### **Rejection of Bid**

Pursuant to the Contract Documents, the City of Mosier reserves the right to reject any or all bids. I propose formal rejection of the bid by Motion of City Council.

## Special Procurement

I am working with City staff, our consultants and USDA on strategies to acquire a fair bid. MMC Section 3.01.080D allows the City to exempt public improvement contracts from competitive bidding. I believe this exemption will be necessary to obtain a fair bid. The Code language is shown below in *italics* with findings in **red text** under each section.

*D. Public Improvement Contracts. The City Council may exempt a public improvement contract or a class of public improvement contracts from competitive bidding upon approval of written findings described below. Exemption under this section shall occur only after a public hearing before the City Council noticed by posting and publication at least 14 days before the hearing:*

**The public hearing was posted and published on Sept. 21<sup>st</sup>.**

*1. Required Findings:*

*a. It is unlikely that the exemption will encourage favoritism in the awarding of public improvement contracts or substantially diminish competition for public improvement contracts; and*

**There is little to no competition in the current bidding climate. Therefore, it cannot be diminished. Staff will select contractors based on availability, qualifications and cost – favoritism will not be a criterion for selection.**

*b. The awarding of public improvement contracts under the exemption will result in substantial cost savings to the City.*

**We intend to both delay the notice to proceed and facilitate the preparation of proposals. Delaying the project start date may allow more drillers to bid the work – creating competition – and reducing cost.**

*2 In granting an exemption under this section, the City shall, when appropriate, use alternate contracting methods that take account of market realities and modern practices and are consistent with the public policy of encouraging competition.*

**The City will use an alternate contracting method. Our intent is to contact many contractors directly, particularly drillers and local general contractors, and develop a list of subcontractors available to team on the project. Our hope is to facilitate the preparation of bids and create more competition. The City will request informal bids and waive formal bidding rules.**

*3. A public improvement contract may be exempted from competitive bidding if emergency conditions require prompt execution of the contract. If the City declares an emergency, any contract awarded under this subsection must be awarded within 60 days following declaration of the emergency.*

**Not applicable.**

*4. An exemption under this section may authorize or require the award of a public improvement contract by competitive proposals. A contract awarded under this subsection may be amended only upon approval of the Mayor.*

**We intend to request informal competitive proposals.**

Using Special Procurement will allow the City to waive competitive bidding rules and develop innovative and strategic solutions for procuring a fair bid. For this reason, I recommend approval of Special Procurement for Phase 2 of the water project.

**USDA Approval:**

USDA has approved the City's request to waive competitive bidding requirements. See attached letter.

**Alternatives:**

The City Council may approve the recommended action or delay a decision and request additional information.

**Proposed Motion.** Suggested motion: "I move to exempt the City from competitive bidding rules for Phase 2 of the water project and authorize the City Engineer to work with the consulting team to acquire informal competitive proposals using all available legal and appropriate means."

**Proposed Motion.** Suggested motion: "I move to recommend rejection of the bid received for Phase 2 of the Water Project."

**BASE BID ITEMS (INCLUDED IN BASIS OF AWARD)**

Item	Description	Units	Quantity	Engineers Estimate		Low to Engineer Comparison			Crestline Contractors	
				Unit Price	Extended	Δ Unit Price	Δ Extended	Percent Over(Under)	Unit Price	Extended
A-1	Mobilization and Demobilization By Drilling Subcontractor	LS	1	\$ 10,000.00	\$ 10,000.00	\$ 98,000.00	\$ 98,000.00	980%	\$ 108,000.00	\$ 108,000.00
A-2	Spill Prevention and Control	LS	1	\$ 2,500.00	\$ 2,500.00	\$ 4,500.00	\$ 4,500.00	180%	\$ 7,000.00	\$ 7,000.00
A-3	Site Preparation	LS	1	\$ 7,500.00	\$ 7,500.00	\$ 24,500.00	\$ 24,500.00	327%	\$ 32,000.00	\$ 32,000.00
A-4	Site Cleanup	LS	1	\$ 5,000.00	\$ 5,000.00	\$ 8,000.00	\$ 8,000.00	160%	\$ 13,000.00	\$ 13,000.00
A-5	Erosion and Sediment Control	LS	1	\$ 2,500.00	\$ 2,500.00	\$ 6,600.00	\$ 6,600.00	264%	\$ 9,100.00	\$ 9,100.00
A-6	Water Management and Turbidity Reduction	LS	1	\$ 7,500.00	\$ 7,500.00	\$ 41,200.00	\$ 41,200.00	549%	\$ 48,700.00	\$ 48,700.00
A-7	Drill upper borehole at minimum diameter of 12-inches from ground surface to anticipated depth of 268 ft bgs	LF	268	\$ 175.00	\$ 46,900.00	\$ 780.00	\$ 209,040.00	446%	\$ 955.00	\$ 255,940.00
A-8	Drill lower borehole at a minimum diameter of 8-inches from ground surface to anticipated depth of 465 ft bgs	LF	197	\$ 150.00	\$ 29,600.00	\$ 593.00	\$ 116,821.00	394%	\$ 743.00	\$ 146,371.00
A-9	Borehole Cementing/Redrill to Stabilize Upper Borehole	JOBS	4	\$ 5,000.00	\$ 20,000.00	\$ 21,500.00	\$ 86,000.00	430%	\$ 26,500.00	\$ 106,000.00
A-10	Furnish and install the 8-inch diameter well casing	LF	270	\$ 200.00	\$ 54,000.00	\$ (30.00)	\$ (8,100.00)	-15%	\$ 170.00	\$ 45,900.00
A-11	Furnish and install the 6-inch diameter steel liner assembly	LF	210	\$ 170.00	\$ 35,700.00	\$ 23.00	\$ 4,830.00	14%	\$ 193.00	\$ 40,530.00
A-12	Complete plumbness testing	LS	1	\$ 2,500.00	\$ 2,500.00	\$ 3,100.00	\$ 3,100.00	124%	\$ 5,600.00	\$ 5,600.00
A-13	Complete alignment testing	LS	1	\$ 2,500.00	\$ 2,500.00	\$ 6,460.00	\$ 6,460.00	258%	\$ 8,960.00	\$ 8,960.00
A-14	Well development by airlifting/overpumping	HR	8	\$ 400.00	\$ 3,200.00	\$ 800.00	\$ 6,400.00	200%	\$ 1,200.00	\$ 9,600.00
A-15	Install a cement seal between the 8-inch production casing and the 12-inch borehole wall	LF	268	\$ 85.00	\$ 22,800.00	\$ 189.00	\$ 50,652.00	222%	\$ 274.00	\$ 73,432.00
A-16	Video Survey	LS	1	\$ 1,200.00	\$ 1,200.00	\$ 2,800.00	\$ 2,800.00	233%	\$ 4,000.00	\$ 4,000.00
A-17a.	Complete well disinfection	LS	1	\$ 2,500.00	\$ 2,500.00	\$ 12,500.00	\$ 12,500.00	500%	\$ 15,000.00	\$ 15,000.00
A-17b.	Sodium Hypochlorite (12%) to achieve 50 ppm chlorine concentration	GAL	1	\$ 500.00	\$ 500.00	\$ (300.00)	\$ (300.00)	-60%	\$ 200.00	\$ 200.00
A-18a.	8-inch tee with valve and diverter pipe	LS	1	\$ 3,000.00	\$ 3,000.00	\$ 8,000.00	\$ 8,000.00	267%	\$ 11,000.00	\$ 11,000.00
A-18b.	Temporary well cap with ports	LS	1	\$ 1,000.00	\$ 1,000.00	\$ 100.00	\$ 100.00	10%	\$ 1,100.00	\$ 1,100.00
A-19	Standby time	HR	4	\$ 350.00	\$ 1,400.00	\$ 650.00	\$ 2,600.00	186%	\$ 1,000.00	\$ 4,000.00
A-20	Authorized hourly work	HR	4	\$ 500.00	\$ 2,000.00	\$ 750.00	\$ 3,000.00	150%	\$ 1,250.00	\$ 5,000.00
A-21	Furnish, install, and remove flow test equipment	LS	1	\$ 2,000.00	\$ 2,000.00	\$ 7,000.00	\$ 7,000.00	350%	\$ 9,000.00	\$ 9,000.00
A-22	Constant-rate flow test	HR	8	\$ 350.00	\$ 2,800.00	\$ 750.00	\$ 6,000.00	214%	\$ 1,100.00	\$ 8,800.00
<b>SUBTOTAL (ITEMS 1-22)</b>					\$ 268,600.00			260%	260.5%	\$ 968,233.00

**ADDITIVE BID ITEMS (INCLUDED IN BASIS OF AWARD)**

Item	Description	Units	Quantity	Engineers Estimate		Low to Engineer Comparison			Crestline Construction	
				Unit Price	Extended	Δ Unit Price	Δ Extended	Percent Over(Under)	Unit Price	Extended
B-1	Mobilization, Demobilization, Site Preparation, and Clean-up	LS	1	\$ 34,000.00	\$ 34,000.00	\$ 41,000.00	\$ 41,000.00	121%	\$ 75,000.00	\$ 75,000.00
B-2	Site Work and Utilities	LS	1	\$ 81,000.00	\$ 81,000.00	\$ 104,000.00	\$ 104,000.00	128%	\$ 185,000.00	\$ 185,000.00
B-3	Well Equipping and Mechanical	LS	1	\$ 65,000.00	\$ 65,000.00	\$ -	\$ -	0%	\$ 65,000.00	\$ 65,000.00
B-4	Electrical and Automatic Controls	LS	1	\$ 190,000.00	\$ 190,000.00	\$ (8,000.00)	\$ (8,000.00)	-4%	\$ 182,000.00	\$ 182,000.00
B-5	As-Built and O&M Manuals (Minimum Bid Amount \$2,500)	LS	1	\$ 2,500.00	\$ 2,500.00	\$ 2,500.00	\$ 2,500.00	100%	\$ 5,000.00	\$ 5,000.00
B-6	Minor Change	DOL	1	\$ 10,000.00	\$ 10,000.00	\$ -	\$ -	0%	\$ 10,000.00	\$ 10,000.00
<b>SUBTOTAL (ITEMS 1-6)</b>					\$ 382,500.00			36%	36.5%	\$ 522,000.00

**TOTAL BID AMOUNT (BASIS OF AWARD)**

\$ 651,100.00

128.9% \$ 1,490,233.00

## Staff Report

Meeting Date: October 5, 2022

To: Mosier City Council

From: Katie Skakel, City Planner

Agenda Title: Short-Term Rental Committee Work Session

Agenda Action: Review Short-Term Rental Committee report and recommendation; consider calling for a public hearing on the proposed short-term rental ordinance.

Fiscal Impact: No fiscal impact

Staff Recommendation: In this work session Short-Term Rental Committee will provide overview of STR Committee work, provide report and recommendations. City Council and public are invited to ask questions and request either an additional work session or request that two public hearings be set on the proposed short-term rental ordinance.

The recommendations presented at the work session will be reflected in the STR ordinance. With very strict notice requirements as laid out in Mosier City Zoning Ordinance and Dept of Land Conservation and Development (DLCD), the City Council at least 45 days before the evidentiary hearing.

Proposed Motion: N/A

### Summary

The City Council formed a Short-Term Rental Committee (“STR Committee”) last year, for the purposing of studying STRs and coming up with a recommendation to present to the City Council. The purpose of this staff report is to provide the Council with the STR Committee’s final report and recommendation.

### Background

A short-term rental (“STR”) is defined under the Mosier Municipal Code to mean any residential dwelling unit where one or more bedrooms, or the entire dwelling unit, may be rented for a period of 30 days or less. The City of Mosier does not presently regulate the use of land for short-term rentals.

The City is aware that there are currently properties within Mosier being used as STRs. City staff have been approached by potential property purchasers, who have proposed to use and develop land within Mosier for use as STRs. The City has also received complaints from community members regarding the use of property within Mosier for STRs. In recent years, jurisdictions around the Gorge have adopted regulations restricting the use of certain properties as STRs, and setting parameters around how STRs may be operated within their jurisdiction. The Mosier City Council first discussed the topic of short-term rentals at a public meeting in 2018. Since that date, the Council has, from time to time, taken public comment on the matter.

In March of 2021, the City Council formed an STR Committee, comprised of individuals holding various stakeholder interests in the topic. The Council charged the STR Committee with gathering data and community input on the use of short-term rentals in Mosier; researching the various ways that other communities have and have not regulated STRs; and coming up with a recommendation to take to the City Council. The STR Committee solicited community input and met in meetings that were open to the public over a period of eight months. The STR Committee's work and specific objectives are described in greater detail in the STR Committee Report & Recommendation, which accompanies this Staff Report.

The STR Committee's work led to its recommendation that the City Council adopt short-term rental regulations for the City of Mosier. The STR Committee has proposed regulations that are intended to allow for the positive impacts that short-term rentals bring to the community, while limiting them in certain ways to maintain the character and quality of life of the Mosier community. The STR Committee's recommendation to the Council is to proceed with adoption of the ordinance that accompanies this Staff Report. The first step for adoption would be to call for a public hearing on the proposed ordinance.

### **Past Council Action**

- A. October 15, 2018 – Discussed legal overview of short-term rentals in a public meeting.
- B. October 18, 2018 - Adopted Transient Lodging Tax ordinance (codified in MMC Chapter 5.10), which contemplates the use of residential dwelling units for transient occupancy.
- C. March 1, 2021 - Formed STR Committee to study STRs in the City of Mosier and make a recommendation to the City Council.

### **Staff Recommendation**

Review the STR Committee Report & Recommendation and consider calling for two public hearing on the proposed STR ordinance/recommendations.

### **Alternatives to Recommendation**

The Council may have additional questions that they'd like the STR Committee to address so may request further information either through a work session or direct staff to take further action; and/or call for a public hearing on the an STR ordinance, as presented in recommendations or as amended.

### **Suggested Motion**

No motion is needed; Council direction to staff is the only request before the City Council at this time.

### **Attachments**

- 1. STR Committee Work Session Agenda, Report & Recommendation

## Short Term Rental Work Session Oct 5, 2022

### Agenda:

- 1) Intro to STR committee and survey results. Katie and Ron
- 2) Guiding principles on STR work. Emily
- 3) Background. Katie Lizzie and Charlie
- 4) Recommendations. Katie, Laura, Ron
- 5) Neighborhood Map of STRs. Emily, Ron
- 6) Next steps? Katie, Laura

## 1) **Intro to STR committee and survey results.**

Katie and Ron

Ron Wright, City Councilor/community member  
Charlie Cannon, City Councilor/community member  
Emily Stranz, community member  
Elizabeth McNanny, Community Member and President of Mainstreet Mosier  
Elizabeth (Lizzie) Payne, Community Member  
Planning Consultant (Katie Skakel), City Attorney (Laura Westmeyer) and City Staff (Jayme Bennett, Interim City Manager)  
Notice to community and survey results. What Mosier indicated in survey results.

Community Survey Results: The bottom line is that STR owners clearly think that STRs are the saving grace for all the communities problems, and that there is no reason to worry about them, let alone regulate them. On the other hand, non-STR owners are much more concerned about the negative impacts of STRs in the city, and generally are approving of some sort of regulation. Everyone values the small town feel and sense of community that Mosier has, but the two groups strongly disagree on STRs impact on those values.

**2) Guiding principles on STR work.** The principles reflect how the STR Committee set out to work – through consensus while striving to reach the goals for the City which demands a balanced approach in order to achieve and effect our housing issues, which includes extremely limited affordable housing availability for families and work force.

- 1. STRs and the well-being of the community should have a positive, reciprocal relationship.**
  - a. A vibrant, healthy community draws visitors to Mosier, which supports local STRs.
  - b. STRs should provide benefits to the local community.
- 2. Some of the economic incentives of STRs that we would like to promote include:**
  - a. Increasing the feasibility of home ownership for full-time residents.
  - b. Support for local businesses.
  - c. Financial support for the broader Mosier community (all Mosier residents and the City of Mosier).

**3. Maintaining a high quality of life for the Mosier community is a priority. Aspects of our community that we would like to promote include:**

- a. The genuine “small town” culture.
- b. Knowing our neighbors - neighborhoods that primarily consist of full-time residents.
- c. The quiet, peaceful, and slow pace of life.
- d. Attainable housing that supports a diverse community.
- e. Safe streets and low traffic.

**3) Background:**

Katie Lizzie and Charlie

**There is value in allowing some STRs in our community, and we recognize that the number and/or density of STRs will need to be limited in order to maintain a valued sense of community.**

**4) Recommendations:**

**1. Require operators of STRs to apply for and receive an annual STR license.**

- a. Licenses will require a fee, fire and safety inspections, and compliance with all applicable city regulations including STR Ordinance, Transient Lodging Tax Ordinance, and Zoning Code.

- Limit the number of STR licenses available, based on the type of STR to be operated and require that STR owner be a resident of 97040.

**2. Limit the number of STR licenses available, based on the type of STR to be operated.**

- a. **Owner-occupied STRs.** “Hosted Homeshare” means a short-term rental operating on the same property where the Owner maintains the Owner’s primary residence. A hosted homeshare may be a portion of the Owner’s primary residence, or attached to the Owner’s primary residence; or it may be a dwelling unit that is detached from the Owner’s primary residence, such as a detached accessory dwelling unit.

- i. **No cap.** Any owner-occupied home may be operated as an STR, but operators must still apply for and receive an STR license. To be an owner-occupied STR, the STR operator must be a resident at the STR address.

b. **Full-home STRs.** Use definitions in the STR Ordinance. This should be “Vacation Home Rental” means a short-term rental on a property that is not the Owner’s primary residence.

i. Establish a cap on the number of STR licenses available within the City for full-home rentals. The maximum number of licenses available would be calculated annually, based on the total number of housing units within the City and the percentage of those housing units allowed for STRs. The cap would be set for the purpose of maintaining the percentage of STR use with total number of housing units at 5% or 8% (Same or close to the number that is estimated as existing currently.)

Set a density limitation. A density limit based in neighborhoods that may be distributed throughout the City, instead of being concentrated in a single geographic area.

c. **STRs operating within the Commercial Zone.**

i. No cap. Any number and type of STRs may operate within the Commercial Zone, but operators must still apply for and receive an STR license.

3. Limit the number of motor vehicles that STR operators may allow STR users to park on the property. STR operators must show parking plan and get approval from City through STR application. If needed can show parking in public parking areas.
4. STR operators must provide a local representative (with contact information within 10 miles of the STR) to be available 24 hours per day to respond to issues that come up at the STR. Rather than a mileage restriction, better to do a response time restriction. Ordinance is currently drafted for 30-minute response time.
5. **STR operators must provide “Good Neighbor Guidelines” to their STR users.**
  - a. The STR Committee has developed a set of “Good Neighbor Guidelines,” which address: a community/values statement, contact information, parking, noise, lights, garbage, recycle, water conservation, a local business directory, and STR licensure.

5) **Neighborhood Map of STRs To be shown at work session** Emily, Ron

6) **Next steps?** Katie, Laura

City Council can choose to have an additional work session or City Staff can set up hearing schedule to get STR ordinance reviewed, approved, and adopted.  
Two hearing to review and adopt STR ordinance.