#### COMMISSIONER'S AGENDA ITEM COMMENTARY

SUBMITTED BY Community Development

Department

AGENDA DATE December 8, 2020

SUBJECT Ordinance No. 2020-08, adopting regulations and permit

requirements for short-term vacation rentals

ACTION REQUESTED Approve Ordinance No. 2020-08, adopting regulations and

permit requirements for short-term vacation rentals, as

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recommended by the Planning Commission.

#### SUMMARY/BACKGROUND

On November 13, 2019, the Board of County Commissioners directed Planning staff to work with the Planning Commission to develop regulations and permit requirements for short-term vacation rentals. Staff has been working on this project over the last year and prepared draft regulations after conducting public outreach (including stakeholder meetings and an online survey) and holding several workshops with the Planning Commission and Board of County Commissioners. The Planning Commission held a public hearing on October 6, 2020 to consider proposed text amendments to the zoning code, and voted to recommend approval of new short-term vacation rental code amendments at its November 17, 2020 meeting.

The purpose of the proposed ordinance is to establish regulations for the operation of short-term vacation rentals in unincorporated Skamania County in order promote tourism and economic development while preventing unreasonable burdens on services and minimizing impacts to rural residential neighborhoods. The proposal includes development standards and operation requirements, as well as permit requirements and enforcement mechanisms. The proposal also includes some related amendments to accessory dwelling unit regulations in order to offset potential impacts to the long-term rental housing market.

Staff previously reviewed the Planning Commission's recommendation at a November 24, 2020 workshop where the Board agreed to place Ordinance No. 2020-08 on a future consent agenda. No additional hearing is required if the Board accepts the Planning Commission's recommendation.

#### FISCAL IMPACT

None. Implementation costs will be offset by permitting fees.

#### **RECOMMENDATION**

It is recommended that the Board of County Commissioners adopt Ordinance No. 2020-08.

#### LIST ATTACHMENTS

Ordinance No. 2020-08

Planning Commission Recommendation

#### **ORDINANCE No. 2020-08**

### AN ORDINANCE AMENDING SKAMANIA COUNTY CODE TITLE 21 – ZONING, IN ORDER TO ADOPT REGULATIONS FOR SHORT-TERM VACATION RENTALS

WHEREAS, RCW 36.70 authorizes Skamania County to adopt or amend zoning regulations; and

**WHEREAS,** RCW 64.37 includes certain requirements for the operation of short-term vacation rentals in Washington State; and

**WHEREAS,** the increased growth of short-term vacation rentals in Skamania County requires the adoption of development and operational standards; and

**WHEREAS,** short-term vacation rentals benefit the local economy of Skamania County, but can be a negative community impact if not addressed effectively; and

**WHEREAS,** on November 13, 2019, the Board of County Commissioners directed the Community Development Department to prepare short-term vacation rental regulations; and

WHEREAS, the Community Development Department initiated development of regulations with stakeholder meetings, an online community survey, and several public workshops; and

**WHEREAS,** after considering public input, the Planning Commission developed amendments to the zoning text to allow for the development of short-term vacation rentals with operational and permit requirements; and

**WHEREAS,** a SEPA Determination of Non-Significance (DNS) was issued on August 26, 2020, after environmental review of the draft text was completed; and

**WHEREAS,** the Planning Commission, having provided proper notice in the Skamania County Pioneer, and with a quorum present, conducted a public hearing at its October 6, 2020, meeting; and

**WHEREAS,** the Planning Commission, after said hearing, deliberated on the proposal and voted to recommend approval of the zoning text amendments at its November 17, 2020 meeting; and

**WHEREAS,** the text amendments will help to promote tourism and economic development within Skamania County while preventing unreasonable burdens on services and minimizing impacts to rural residential neighborhoods; and

**WHEREAS,** the zoning text amendments protect the general health, safety, and welfare of the public; and

Ordinance 2020-08 Page 1 of 5

**WHEREAS,** the Board of County Commissioners, held a workshop on November 24, 2020 to review the Planning Commission's recommendation; and

**WHEREAS,** the Board of County Commissioners approved Ordinance 2020-08 on December 8, 2020.

**NOW THEREFORE BE IT HEREBY ORDAINED AND ESTABLISHED** the Board of County Commissioners adopts Ordinance 2020-08 amending Title 21 as follows:

**SECTION 1:** Section 21.080.010 (Definitions – Interpretation) shall be amended to add the following definition for "Short-term vacation rental":

#### 21.08.010 **DEFINITIONS - INTERPRETATION**

. . .

Short-term vacation rental: means a lodging use, that is not a hotel or motel or bed and breakfast, in which a dwelling unit, a residential accessory building, or portion thereof, is offered or provided to a guest by a short-term vacation rental operator for a fee for fewer than thirty consecutive nights.

**SECTION 2:** Chapter 21.70 (Supplementary Development and Use Standards) shall be amended to add the following section:

#### 21.70.190 SHORT-TERM VACATION RENTALS

#### A. PURPOSE

The purpose this section is to establish regulations for the operation of short-term vacation rentals (STVRs) in Skamania County. These regulations do not apply to hotels, motels, or bed and breakfasts which operate as commercial uses. The provisions in this section are necessary to promote tourism and economic development within Skamania County while preventing unreasonable burdens on services and minimizing impacts to rural residential neighborhoods.

#### B. DEVELOPMENT STANDARDS AND OPERATIONAL REQUIREMENTS

- 1. A STVR may be located within any dwelling unit (including any entire dwelling unit or any portion of a dwelling unit), within any accessory dwelling unit, or within a residential accessory building. A park model recreational vehicle may be used as a STVR in accordance with the occupancy restrictions in SCC 21.70.120(A).
- 2. Dedicated on-site parking shall be provided to accommodate all guests.
- 3. The STVR shall conform to all applicable standards in the building, plumbing, electrical, mechanical, fire, health (water and septic), and any other applicable codes. Functioning carbon monoxide detectors and smoke detectors shall be kept in operating order and installed as required by the International Residential Code (IRC). At least one functioning fire extinguisher shall be installed within the STVR.
- 4. Address numbers for the STVR shall be visible from the road.
- 5. The STVR shall be operated in a way that will prevent disturbances to neighboring properties not typical of a residential neighborhood, including but not limited to, loud music, loud noises, excessive traffic, loud and uncontrolled parties, junk/debris/garbage accumulation in the yards, trespassing, barking dogs, or excess vehicles, boats or recreational vehicles parked in the streets in front of the unit. The rental shall not be used at any time to host commercial events, unless the rental is associated with an approved commercial event center.

Ordinance 2020-08 Page 2 of 5

#### C. LIABILITY INSURANCE AND TAXES

- 1. Per RCW 64.37.050, a STVR operator must maintain primary liability insurance to cover the STVR in the aggregate of not less than one million dollars or conduct each STVR transaction through a platform that provides equal or greater primary liability insurance coverage.
- 2. Per RCW 64.37.020, STVR operators must remit all applicable local, state, and federal taxes unless the platform does this on the operator's behalf.

#### D. SHORT-TERM VACATION RENTAL PERMITS

All operators of STVRs shall maintain a short-term vacation rental permit as required in this section. It is a violation of this section to rent, offer for rent, or advertise for rent a STVR without first obtaining a STVR permit.

#### 1. APPLICATION PROCEDURE

- a. An application for a STVR permit shall be made to the Community Development Department on a form provided by the Department. The application shall include at a minimum:
  - i. Property owner information and the information for a contact person who must be available to respond 24 hours a day, seven days a week to any complaints or inquiries.
  - ii. Occupancy limit for the STVR as determined by the operator.
  - iii. A statement allowing the County reasonable access to the property for the purpose of verifying compliance with this section should the County receive complaints about the STVR.
  - iv. A statement that the STVR complies with the development standards and operational requirements in SCC 21.70.190(B).
  - v. A statement of intent to notify all property owners of record and/or occupants of properties within 300 feet of the STVR. The notice shall include the telephone number of the owner and contact person. The purpose of this notice is so that neighbors can contact a responsible person to report and request resolution of problems associated with the STVR.
  - vi. A statement of intent to collect and remit all required taxes associated with the STVR and to provide liability insurance coverage as required by RCW 64.37.
- b. Applications shall be accompanied by a nonrefundable fee payable to the Skamania County Treasurer in an amount established by the Board of County Commissioners. Application fees will be prorated if issued for less than half of the annual term.
- The operator shall post a copy of the current permit in a conspicuous place in the STVR.

#### 2. TERM OF ANNUAL PERMIT

- a. A STVR permit shall be issued for a period not to exceed one year, with its effective date running from the date of issuance to December 31st.
- b. STVR permits may be renewed annually. Operators shall report on the prior year's occupancy at the time of renewal.

#### 3. REVOCATION

- a. In addition to other enforcement options available to the County under SCC 21.100, the following provisions apply to violations of this section:
  - Failure to meet the operational requirements of SCC 21.70.190(B) or the discovery of material misstatements or providing of false information in the application or renewal process is grounds for immediate revocation of the permit.
  - ii. Other violations of this chapter, including but not limited to investigation/sustaining of complaints, shall be processed as follows:

- 1. For the first and second violations within a twelve-month period, the sanction shall be a warning notice.
- 2. If the same offense continues to occur or a third similar offense occurs at any time during a twelve-month period, the County may either issue a third warning, update the permit to include reasonable special operational standards, or revoke the permit.
- b. The period of time for which a permit is revoked will be determined on a case-by-case basis, but shall not exceed 12 months.
- c. If the STVR permit is updated or revoked, the Community Development Department shall send written notice to the owner stating the basis for the decision. Operators may appeal the decision to the Board of County Commissioners within 14 calendar days. Upon receipt of an appeal, the Community Development Department shall stay the update or revocation decision until the appeal has been finally determined by the Board of County Commissioners.

SECTION 3: Section 21.70.180 (Accessory dwelling units) shall be amended as follows:

#### 21.70.180 ACCESSORY DWELLING UNITS

#### B. STANDARDS AND CRITERIA

1. Only one ADU may be established per legal lot of record and only if a lot contains one principal dwelling unit and no other dwellings. The property owner must occupy either the principal unit or the ADU as their permanent residence for at least six months out of each year. To meet this requirement, a property owner may include any spouse, child, sibling, parent, grandchild, grandparent, aunt, uncle, niece, or nephew of the property owner on title.

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8. Either the ADU or the principal unit, but not both units, may be rented as a short-term vacation rental. Neither the ADU nor the principal unit shall be used at any time as a short-term vacation rental. A short-term vacation rental is a unit rented out for any period of less than sixty days.

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#### D. APPLICATION PROCEDURE.

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2. A declaration shall be signed by the applicant and recorded in the auditor's office specifying that the owners, successors, heirs, and assigns of the property shall abide by the standards and criteria of this section, including specifically the requirement that they occupy either the principal unit or the ADU as their permanent residence for at least six months out of each year, and that neither the ADU nor the principal unit shall be used at any time as a short term vacation rental.

#### NOW THEREFORE BE IT FURTHER ORDAINED:

- 1. The requirement to obtain a permit to operate a short-term vacation rental shall not go in effect until July 1, 2021.
- 2. The Community Development Department and Board of County Commissioners shall work towards the most conservative permit fees possible.
- 3. The Community Development Department and Planning Commission shall review this ordinance after one year to determine whether intended objectives are being achieved.

Ordinance 2020-08 Page 4 of 5

ORDINANCE NO. 2020-08 PASSED INTO LAW THIS  $\mathcal{S}^{\mathcal{T}}$ 

ATTEST:

Clerk of the Board

**SKAMANIA COUNTY BOARD OF COUNTY COMMISSIONERS** 

Chair, Bob Hamlin

12-8-200 Date

Commissioner, Richard Mahar

Date

12.8.2020

Commissioner, Tom Lannen

12-8-2020 Date

APPROVED AS TO FORM ONLY:

**Prosecuting Attorney** 



## Skamania County Community Development Department

Building/Fire Marshal • Environmental Health • Planning

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Phone: 509-427-3900 Inspection Line: 509-427-3922

# SKAMANIA COUNTY PLANNING COMMISSION MOTION TO RECOMMEND APPROVAL OF AMENDMENTS TO TITLE 21 ESTABLISHING REGULATIONS FOR THE OPERATION OF SHORT-TERM VACATION RENTALS

The Skamania County Planning Commission conducted a public hearing to consider proposed text amendments to Title 21, establishing regulations for the operation of short-term vacation rentals and amending the requirements for accessory dwelling units.

I, <u>Cyhli Soliz</u>, do hereby move that the Skamania County Planning Commission make the following Findings of Fact, and Conclusions.

#### **FINDINGS OF FACT**

- A. RCW 36.70 authorizes counties to adopt or amend zoning regulations.
- B. RCW 64.37 includes certain requirements for operation of short-term vacation rentals.
- C. The increased growth of short-term vacation rentals in Skamania County requires the adoption of development and operational standards.
- D. Short-term vacation rentals benefit the local economy of Skamania County, but can be a negative community impact if not addressed effectively.
- E. The proposed amendments to the County's Zoning regulations are consistent with state law, including RCW 36.70 and RCW 64.37, and the County's Comprehensive Plan.
- F. The Planning Commission, having provided proper notice in the Skamania County Pioneer, and with a quorum present, conducted a public hearing at its October 6, 2020, meeting.

#### **CONCLUSIONS**

Based on public comment and staff analysis, the proposed text amending Title 21 to establish regulations for the operation of short-term vacation rentals will help to promote tourism and economic development within Skamania County while preventing unreasonable burdens on services and minimizing impacts to rural residential neighborhoods, protects the general health, safety, and welfare of the public, and should be recommended to the Board of County Commissioners for approval.

#### RECOMMENDATION

Based upon the findings of fact and conclusions, I further move that the Planning Commission recommend to the Board of County Commissioners that they adopt the proposed text amendments.

The Planning Commission further recommends that:

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- 1. That the requirement to obtain a permit to operate a STVR not go in effect until July 1, 2021.
- 2. The Community Development Department and Board of County Commissioners work towards the most conservative permit fees possible.
- 3. That the Planning Commission review these regulations after one year to determine whether intended objectives are being achieved.

Motion seconded by John Prescott.		
	AYE	NAY
Mat Joy, Chair		
Cyndi Soliz, Vice Chair		
Ken Bajema		
-Tony Coates - Vacant		
Sue Davis		
Adam King	absent	
John Prescott		
		allen Peter