



CITY OF STEVENSON

7121 E Loop Road, PO Box 371, Stevenson, WA 98648

CITY OF STEVENSON

SEPTEMBER 21, 2015

SPECIAL PLANNING COMMISSION MEETING PACKET

Multiple files are included in this PDF:

- 1. Meeting Agenda**
- 2. September 21st & October 19th, 2015 Special Meeting Minutes**
- 3. Staff Report: ZON2015-02 Vacation Rental Program**
- 4. Staff Report: ZON2015-02 Vacation Rental Regulations**

Viewers can access the meeting files by scrolling down or clicking the bookmark icon for a list of the files that can be accessed by clicking on the titles that appear to the left of this viewing pane:



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CITY OF STEVENSON

7121 E Loop Road, PO Box 371, Stevenson, WA 98648

PLANNING COMMISSION MEETING AGENDA

Monday, November 9, 2015

6:00 PM

Preliminary Matters

1. CHAIR SELECTS PUBLIC COMMENT OPTION
2. MINUTES: September 21s & October 19th, 2015 Special Meetings
3. PUBLIC COMMENT PERIOD (For items not located elsewhere on the agenda)

New Business

4. NONE.

Old Business

5. ZONING WORKSHOP: Overnight Lodging
 - a. Vacation Rental Program
 - b. Hotels, Motels, Hostels, B&Bs, Campgrounds
 - c. Discussion
 - d. Planning Commission Direction
6. ZONING WORKSHOP: Farm/Urban Farm Animals
 - a. Urban Farm Animal Program
 - b. Discussion
 - c. Planning Commission Direction

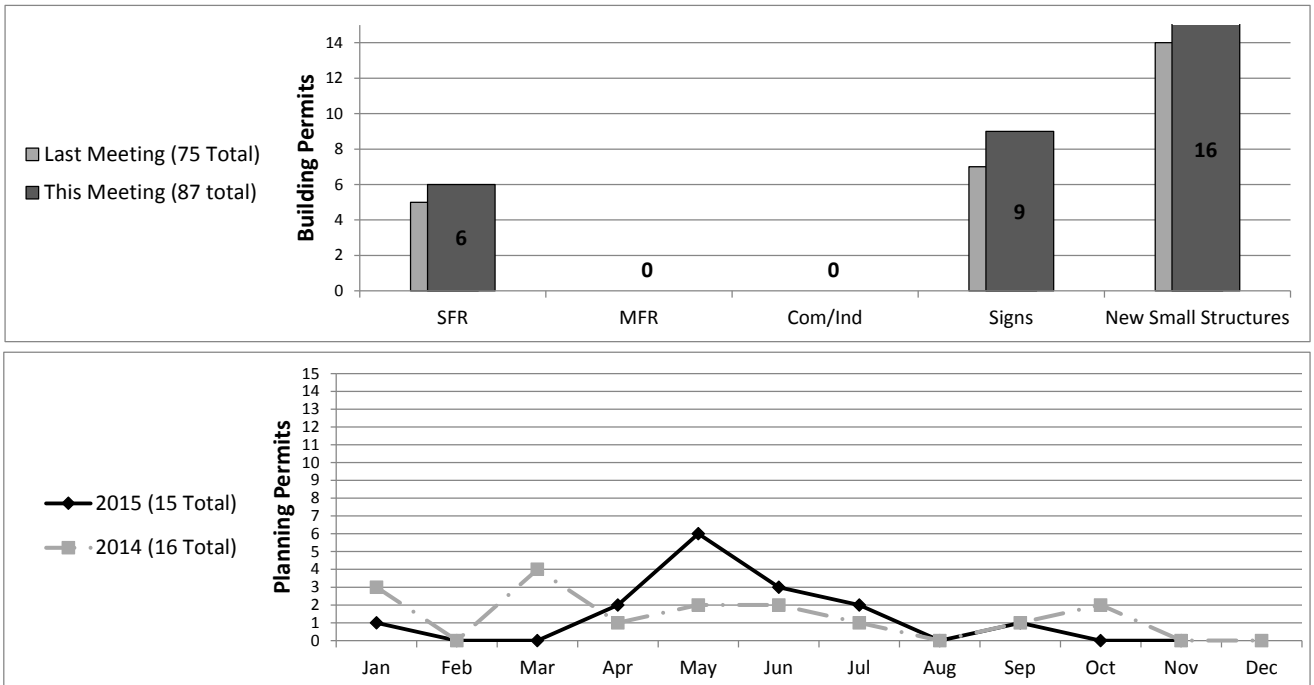
Staff Reports

7. VERBAL REPORTS: Cascade Avenue Project, PSU Graduate Workshop, Stevenson Fire Hall Strike Team

Discussion

8. COMMISSIONERS' UPDATES
9. THOUGHT OF THE MONTH:

10. PERMIT UPDATE



Adjournment



Public Comment Options

Option 1- Each speaker will be offered three (3) minutes to express their thoughts during the general public comment period and three (3) minutes to comment during each public hearing period. Under certain circumstances the Chair may announce a change in a meeting’s time limits. Written comments may also be submitted for the record.

Option 2- Any member of the public may participate in discussion throughout the meeting, provided that the Chair acknowledges them prior to their contribution. Participants should be keep comments brief and related to the agenda topic. Written comments may also be submitted for the record.

PLANNING COMMISSION SPECIAL MEETING AGENDA

Monday, September 21, 2015

MEMBERS PRESENT: Paul Hendricks, Karen Ashley, Valerie Hoy-Rhodehamel, Glenn Morris

Rick Jessel, Rebekah Maggart, Kathy & Dan Huntington, Mary Repar

6:04

Preliminary Matters

1. CHAIR SELECTS PUBLIC COMMENT OPTION #2

2. MINUTES: **Hendricks** moved and Ashley seconded approval of the July 21st, 2015 Special Meeting and August 10th, 2015 Meeting minutes. Unanimously approved.

3. PUBLIC COMMENT PERIOD **Maggart** asks whether a dog park is being considered in the City anywhere. **Shumaker** responded that it has been discussed, but nothing is in the works. **Hendricks** thought it would be a wonderful, community thing and identifying a spot for it should be something we get on the agenda soon.

New Business

4. WRITTEN PUBLIC COMMENTS? **Shumaker** described this topic as a request by Morris. He asked that the discussion be tabled until he is present.

Old Business

5. ZONING WORKSHOP: Chickens, Livestock, Animals. **Shumaker** referred to staff report questions asking the Commission to define what is a chicken and whether the policies should also include livestock of all sorts. The Commissioners wanted to exclude roosters from the "Urban Farm Animal" category. **Ashley** discussed pot-bellied pigs and wanted to exclude the potentially 150 lb animals from the "Pet" category. The Commissioners preferred to maintain the "Urban Farm" and "Farm" categories so they could still restrict animals like alpacas, cattle, emus, donkeys, etc. but make it easy to have chickens. **Ashley** suggested Livestock should not be allowed in R1, R2 or R3, and especially not C1. **Hendricks** wondered if they could be allowed but only on lots of a certain size. **Morris** recommends limiting the animals allowed to things like horses, but not cattle or pigs. **Shumaker** asked a broader policy question about the Suburban Residential district: Now that it is filled with neighborhoods like Angel Heights, if we continue to allow farm animals, we would be likely to see more and more nuisance claims in the future. To avoid these, should pigs or other livestock become a thing of the past in Stevenson? **Morris** described a current situation where pigs are really close to the neighbor renting next door. The pig owners are doing everything they can to

avoid the nuisance, but it is still not enough and the neighbor has a right to be annoyed.

Shumaker said this could be an example of 1990 regulations not being able to respond to 2015 needs. **Hoy-Rhodehamel** asked about the County's "right to farm" regulations and how they impacted the City's laws. **Shumaker** described right-to-farm laws as eliminating property owners' expectation that farm nuisances can be abated if the farming activity existed before the residence complaining. He said those laws do not apply within the City.

Shumaker asked whether the regulations should apply on a citywide basis or zone-by-zone and what the Commissioners were trying to avoid by prohibiting chickens in the C1 zone. **Ashley** thinks a zone-by-zone approach is best but a change of regulations in the SR district is needed. She also said that peacocks should be a Farm, not an Urban Farm, animal because of the noise. **Hendricks** thinks Urban Farm animals should be allowed anywhere in the city, but doesn't think the same about Farm animals. **Ashley** disagrees about allowing Urban Farm animals in the Commercial zone. She is concerned about space considerations since the animals require a certain amount of room for themselves. **Morris** doesn't want us to be "the chicken town" and doesn't want to see them downtown. He also wonders if the list of farm animals should be reduced to reduce loud noises, flies, smells, and other nuisances for neighbors. **Shumaker** described that—nuisance preemption vs. nuisance abatement—as one of the key principles of zoning and a way to avoid potentially costly court cases. **Repar** reminded those present that Washington State has strong nuisance laws that neighbors can use themselves instead of just relying on the municipality. **Hoy-Rhodehamel** and **Hendricks** felt the zone-by-zone approach would be easier to administer than a citywide approach with buffers, because property owners can look up their zone easier than their distance from restaurants, public wells, etc.

Hendricks asked about goats for weed/fire control. **Shumaker** described White Salmon's language and how Stevenson might ensure they do not become permanent animals on a property. He would consider them as Farm animals if they were permanent. **Shumaker** will draft language for the next meeting on this topic. The Planning Commission also wanted to see draft language for tourism-related horse/pony stables, and a broad allowance for animals at the Fairgrounds. **Ashley** expressed concerns about whether bees should be considered Urban Farm animals and allowed near playgrounds. **Repar** said the City should be excluding stuff, but should be as inclusive as possible until something becomes a problem. Commissioners agreed that bees and worms belong in the Urban Farm category.

Shumaker summarized the regulatory program: Pets allowed wherever, Urban Farm animals allowed nearly anywhere, and farm animals only in the SR zone. He again questioned whether the Commissioners really wanted to keep allowing pigs and cattle in the SR zone. **Maggart** questioned whether some Farm or Urban Farm animals might be allowed in the Commercial district for restaurants that might have a farm-to-table business model.

Hoy-Rhodehamel said she wants to see a fully drafted ordinance so the Commission and the public can comment on specifics. The Commission agreed and would like to see options for regulations based on lot size, a districting approach, and keeping pigs as a possible Farm animal, and potentially prohibiting the feeding of wild animals. **Repar** brought up aquaponics salmon rearing in 55-gallon tanks and asked if there would be a public hearing. **Shumaker** responded that he will look into the fish and the public hearing is required at the City Council level but not at the Planning Commission level.

6. ZONING WORKSHOP:

Overnight Lodging. **Shumaker** opened the discussion by summarizing staff's legal briefs of two court cases dealing with vacation rentals. The first was a court of appeals case dealing with whether a neighborhood organization could prohibit vacation rentals with a blanket prohibition on commercial uses. The second case was from the Supreme Court. *Wilkinson vs. Chiwawa* that referenced the court of appeals decision. Both conclude that vacation rentals are residential but not commercial uses, but neither deals with municipal law and the decisions are limited to the facts of the case and the text of the HOA covenants, codes, and restrictions. **Shumaker** described them as not directly applicable to the City's regulatory process, but a good indication of the impacts the courts see and how they treat ambiguity. He advised that the City codes can make a distinction between short term and long-term rentals and that we should make it clear what can and cannot be done.

Jessel provided text from the Stevenson Municipal Code and said the "dwelling unit" language from SMC 17.10.275 can be construed to prohibit vacation rental uses by more than one family in residential districts. **Ashley** cautioned that these definitions could be related to a time period when the typical thinking of a "family" was a mom, dad and two kids, living in a household. Thinking of the definition in that way doesn't consider the needs of single parents or extended families.

Hoy-Rhodehamel questions how the Supreme Court's decision on residential vs. commercial use impacts what we can regulate in the Municipal Code. **Shumaker** draws the distinction between a lawyer's interpretation of unclear regulations and a clear description of what the City wants. He sees it as beneficial to the city to be clear no matter what.

D. Huntington described his background selling real estate in the community and his optimism about the impact on short-term rentals on property owners. He said this is not necessarily a good thing for the real estate business because there is no turnover/home sales, but it has been a successful way for owners cover their mortgage, relieve financial stress, and give them another option. He cautions the City not to interfere too much with the use to their property, but to enact an ordinance that ensures they're not competing with other licensed businesses. **K. Huntington** described how short-term rental options have a good impact on the community, because their clients often stay in a place while they shop for homes so they can experience what it's like to live and be a part of Stevenson before they decide to buy a

house. It allows people to get a feel for the community, get to know the people of community.

Shumaker introduces second memo on best practices. He categorized several tools from other communities into 8 broad policy intents and asked the group which of the policy intents are the most important for Stevenson.

Jessel said we could have the best of both worlds: permitting a small amount of vacation rentals but adopting rules for keeping the problems down. He supported local management, interior posting, a license cap, and other ways to regulate that aren't intrusive. He referenced his research on Stevenson as primarily a commuter town where people choose to live because of the small town atmosphere. He feels like vacation rentals will harm that atmosphere and real estate values and create unfair perceptions about our community. **Ashley** read Versari's memo, and highlighted the point that there wouldn't be enough taxes to make administration worthwhile. **D. Huntington** said it's careless to levy a tax that takes more to administer than it collects. He said Stevenson is not a spring break-type place and the small amount we get will not be significant enough to realize real revenue. He also discussed how the possibility of using homes as vacation rentals could act to boost property values, because the option may be enough to encourage buyers who are otherwise sitting on the fence.

Hendricks refocused the meeting to a discussion about what the regulatory options are:

1. Do nothing
2. Unregulated allowance
3. Regulate, either heavily or lightly
4. Specifically prohibit

There was consensus from those present to eliminate options 1 & 4.

There was discussion but no consensus on eliminating Option 2. The majority of the discussion was on the regulatory options in 3 and the group in general hoped to get to a program that was "Regulation 'Lite'" so they weren't solving a problem that doesn't exist.

The 8 policy intents were used to focus this discussion. There was consensus that the market would control the "Aesthetically Please" intent, and that policy intent was eliminated from consideration. There was discussion but not consensus on eliminating the "Reduce Speculation" category.

The discussion shifted to preferred regulatory tools, and the most supported tools came from the "Benefit Economy", "Avoid Neighborhood Disruptions", "Protect Guests", and "Associated Administrative Burden" categories. Tools from the "Taxation" and "Reduce Speculation" categories were not as well supported.

The following tools were specifically eliminated: "Trash service", additional noise restrictions, "Guest Registry", "Limitation on License Period", "Nuisance Abatement Prior to License", "Landscaping Improvements", "Signage Standards", and "Prohibited".

The following tools were supported: "Local Management" (The definition of "Local" was heavily debated and staff was requested to provide better options to consider), "Revocable License" (Staff was requested to provide different options about the feedback loop leading

to a revocation), “Annual License Renewal”, “Nontransferable License”, “Interior Posting”, and “Neighborhood Notice”.

The following tools were supported with some reservations: “Taxation” (There was discussion about whether costs outweigh benefits, and cautions about relying solely on Airbnb as the collector.), “Building/Fire Code Compliance”, (There was concern about the City’s ability to enforce this), “Staff Inspections” (Staff was requested to investigate whether the same purposes could be served by requiring proof of certain insurance as part of the license application.), and “Exterior Posting” (Staff was asked to come up with other options to serve the same purpose without notifying potential burglars about vacant homes).

The following tools require further discussion: “Added Parking Standards” (This issue was acknowledged as the biggest community concern, but no consensus on the tool was reached.), “Guest Limits” (This was discussed as an alternative, not an addition, to other tools), “Limitation on Ownership”, “District Specific Allowance” & “License Caps” (All were discussed as options to Reduce Proliferation & Speculation, and Limitation on Ownership received more support.), and “Complaint/Action Log” (The uses of this tools were discussed, but no decision was reached.).

Following the discussion on Vacation Rentals, the group confirmed the desire to review other types of overnight lodging.

7. ZONING WORKSHOP:

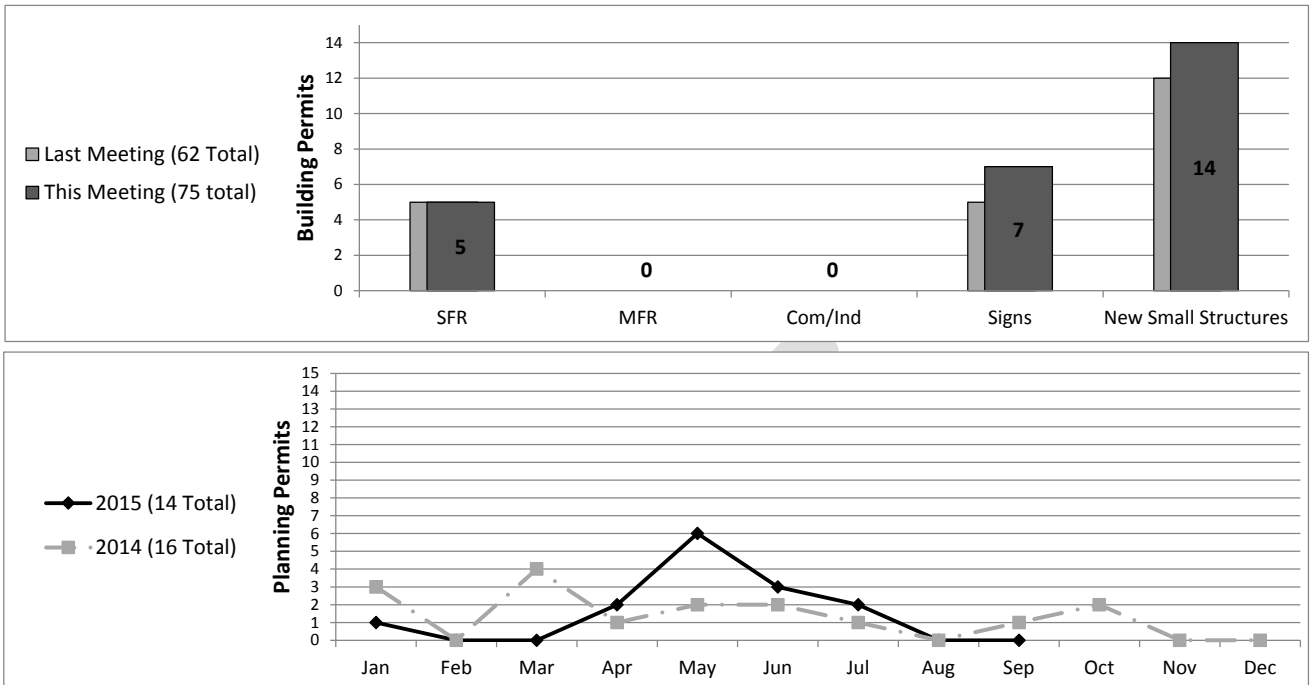
Downtown Parking, Design, Circulation. Discussion on this issue was tabled until a future meeting time.

Staff Reports

8. VERBAL REPORTS:

Shumaker described a change in state law allowing local reduction of marijuana buffers and a request by the City Attorney to better regulate Ancient & Historic Plats. These issues will be more fully explained at the January meeting for the yearly work plan.

9. PERMIT UPDATE



Discussion

10. THOUGHT OF THE MONTH: None.

Adjournment – 8:29 PM

Approved _____; Approved as Amended _____

Paul Hendricks, Chair

Date

Minutes by Sofia Urrutia-Lopez

PLANNING COMMISSION SPECIAL MEETING AGENDA

Monday, October 19, 2015

MEMBERS PRESENT: Paul Hendricks, Karen Ashley, Glenn Morris, Shawn Van Pelt

Phil Ginter, Kathy & Dan Huntington, Rick Jessel

6:02

Preliminary Matters

1. CHAIR SELECTS PUBLIC COMMENT OPTION #2

New Business

2. None.

Old Business

3. ZONING WORKSHOP: Overnight Lodging. **Shumaker** referred to staff report summarizing policy goals and regulatory tools. He stated the Commissioners are closer to finalization. **Shumaker** directed the group to look over Attachment 1, page 2 of Staff Report. He stated there are three possibilities for defining local management:
 1. **Local Area** - Based on township/range.
 2. **Local Area** - The area within 30 vehicle minutes of a vacation rental.
 3. **Local Area** - all areas in Skamania, Clark, Klickitat, Multnomah, and Hood River counties.
 4. **No definition necessary.****Shumaker** stated option 1 may be considered the most restrictive as it does not include Stabler or Cook; however it includes Skamania, Home Valley, as well as Cascade Locks. **K. Huntington** stated option 2 made logic sense to her and asked if the decision was to be made on a management company or a contact person. **Hendricks** a decision was made last meeting to focus on contact person, not management company. **Shumaker** recalled information from last meeting to update those who were not in attendance. **Hendricks** summarized the previous discussions to regulate to some extent and this meeting would help determine what extent. **Jessel** referenced civil code violation vs. municipal code in regards to any nuisances that may occur at vacation rentals; he stated this is his main concern for allowing/disallowing local management company. He stated it may be possible to “escape” any sort of criminal violation or timely enforcement. **Shumaker** stated he did not think that was necessarily true. **Van Pelt** questioned whether or not Jessel’s statement were related to vacation rentals in particular; stating that nuisances could occur in all types of rentals. **Jessel** stated people who are on vacation are here to have a good time. **Van Pelt** stated that more often than not it’s going to be a phone call to the owner and then referred to the renters if a nuisance occurs. He felt that someone doesn’t necessarily need to knock on the door but a phone call would take care of the complication. **Morris** said in

an emergency it is necessary for them to come quickly and take over a scene from emergency responders. **Shumaker** redirected the conversation asking if any of those three options were viable. **Hendricks** stated he instinctively agrees with one of the options but doesn't know if 30 minutes would be a good limit. **K. Huntington** felt an appointed person in the area as a local contact person is a good option. **Morris** stated he lives below a rental property and is the contact person for the renters. He stated in the past he has been called once or twice to fix aesthetic problems yet no calls in regards to emergencies. He stated that it's a smart thing for the owners to have a contact person available in case of problems with a rental. **Hendricks** stated he is bending towards an arbitrary vehicle time limit. **Ashley** stated it's unreasonable to ask a person to remain in Stevenson all of the time. She asked what happens if they are far away such as being on vacation or in Portland. She felt a regulation as such would make it difficult for potential vacation rental owners. **Shumaker** stated the owner's physical address needs to be within the area, but 24-hour availability would be hard to require. He then asked if the local address mattered. **Van Pelt** stated that expecting someone to be there all of the time is unreasonable and would be very costly. He also stated there is no issue currently and it is difficult to make a decision on a non-issue. **Morris** stated appointing someone local to respond to issue is not a problem in his mind. **Hendricks** asked what the goal is in accomplishing a regulation in regards to local management. He stated if something is broken inside the home, it is not a concern. However, if a home becomes dilapidated or during an emergency, there would be concern. **Morris** stated a local management company should address the concerns of the citizens. **Shumaker** referred to the staff report and the policy goals where "Local Management" was listed. **Van Pelt** raised a question in regards to a fire emergency in which the fire department cannot release a house unless an owner or a contact person is present. He questioned whether or not a waiver could be added in which the fire department releases liability during an emergency. **Morris** stated if there is a vacant structure an owner needs to release the property. **Shumaker** stated that if someone is unreachable, there may be a way to have locks placed on the doors to prohibit anyone from entering. **Van Pelt** argued that this regulation is targeting vacation rentals and questioned whether or not it needs to be "policed" especially in regards to already dilapidated homes in Stevenson that are not vacation rentals. He argued that requiring local management could potentially be market driven. **Huntington** talked about having any contact number now, and narrowing it down to more local if it proves to be a problem in the future. Annual renewal would ensure the mechanism would apply to all properties in the future. **Shumaker** asked if there was consensus on any of the three options. The group preferred a more relaxed regulation to begin with. He said he will draft language to reduce it down to local as option 3, defined by counties.

Non-Transferable License. **Shumaker** stated the group would like to convey a simple regulation program. **Jessel** asked if speculation and getting a license would affect things overall or not. **D. Huntington** felt the market would become saturated quickly by doing so. **Van Pelt** felt that difficulty obtaining a license would increase its value and increase concerns on speculation. There was consensus from those present to eradicate non-transferable licenses.

Annual License. **Shumaker** asked if annual license is a generally supported tool. **Ashley** and **K. Huntington** agreed with timing in place corresponding to business licenses. There was a consensus from those present to keep annual license.

Revocable License. **Ashley** stated this tool protected the neighbors and community. **Hendricks** stated a firm list of reasons and procedures need to be in place in order to revoke license. He raised the issue of renewing a revoked license after it has been taken away or if the license would be taken away forever. **Jessel** stated referring to the nuisance code in place for Stevenson municipal code could be exercised in revoking a license. He also indicated a license could be revoked for one large problem or several minor incidents. **Shumaker** asked if prior issues involving the owner should be resolved before issuing a license. He described a criteria of approval as well as a reason to revoke the license. Therefore a license would not be issued if there is an open complaint at time of renewal or when an application for a license is submitted. **Hendricks** stated he felt that once a complaint is taken care of the owner should be allowed to get their license back. **Ginter** described a situation in which a complaint could be submitted from a neighbor that complains fairly often. He did not know if that was an unbiased assessment for future complaints against a vacation rental owner. **Shumaker** stated one of the tools could state a requirement of the owner/contact person to keep a complaint/action log. This log would prove the owner and renters are being responsible when an action or complaint takes place. There was a consensus from the group to eliminate a complaint/action log. He stated he would draft language for the group to consider.

Neighborhood Notice. **Shumaker** described two viable options: one for exterior posting with an alternative of an online registry for owner contact information. He stated the group was leaning towards online registry last meeting. **Jessel** asked if houses around the vacation rental would receive notification. **D. Huntington** is in an agreement for notification, it would allow neighbors to report unauthorized activity. **Van Pelt** asked if the Sheriff's office could provide such information. **K. Huntington** asked **Van Pelt** what the concern was in regards to having neighbors provided with contact information. **Van Pelt** stated he did not want another call in the middle of the day directed towards him if there is a nuisance. **Shumaker** stated he will bring a possible radius for mail distribution of owner contact information to nearby neighbors dependent upon other ordinances in place.

Interior Posting. **Shumaker** stated an interior posting would require the contact number to be posted inside or in an appointed rental binder. He asked who would check to make sure the owner is keeping this up to date. The group came to a consensus that interior posting would be helpful but an inspection to ensure its there is not necessary.

Physical Inspection by Fire Marshal. **Ashley** stated an inspection done by Fire Marshal does not happen for other rentals. **Hendricks** agreed but talked about hotels and thought we should not eliminate it completely. **Morris** said they do not regulate on long term rentals, it should not be regulated for short term rentals. **D. Huntington** stated such regulation could be seen as more of a burden. **Shumaker** followed up with his investigation with insurance

companies in which standard industry practices do not include interior inspection, therefore this regulation would not be taken care of via insurance companies. He described Manzanita's regulation in which there is an inspection at least once every five years. He proposed language that states an inspection to be required at least once every five years or due to a suspected violation in which an inspection takes place with a reasonable notification. He also described the current City practices where commercial locations get inspected annually. **Hendricks** stated he is leaning towards the idea of the City maintaining rights to inspect with reasonable notice including a list of criteria during inspection. He said the criteria would need to be met before a license is renewed. The group came to a consensus that an inspection performed once every five years and/or deemed as necessary should be included.

Guest Limit. **D. Huntington** believes guest limits would be deferred to the market. **Hendricks** asked how guest limit could be enforced. The group reached a consensus to eradicate "Guest Limit".

Parking Standard. **Shumaker** described "Parking Standard" as a tool that could respond to the public's worry about the impact of parking for vacation homes. He stated a limit could be placed which acts to limit the occupancy based on parking, or limit the number of rentals by requiring off-street parking/not grandfathering existing homes without off-street parking. He said the current codes require a one bedroom or studio to have one parking space and anything above that requires two parking spaces, so anything built since 1994 would not be impacted. **D. Huntington** felt that this is an unfair burden. **Van Pelt** stated the vacation rental home would continue to be occupied at the same degree. The group felt the issue may be taken care of by the market stating if there are not enough parking spaces it would reflect upon the owner of the property. **K. Huntington** stated owner's often will give directions to parking away from the vacation rental if there is not a sufficient amount in front of the property.

Taxation. **K. Huntington** stated the company, AirBnB, is starting to follow tax law in the state of Washington. **Hendricks** argued against writing regulations on AirBnB as the website may or may not exist or change its policies within a given amount of time. He stated the City needs to have standalone regulations. **D. Huntington** indicated most renters go through AirBnB or comparable website in which they automatically collect taxes in which get sent to the City. **Hendricks** if renters find a rental elsewhere (i.e. Craigslist) they would potentially not appropriately pay taxes and asked if the city would get pertinent information. He also asked if the City could accomplish this without a heavy burden on City staff. **Shumaker** stated the Department of Revenue collects and issues a check to the City for the lodging rate. He stated a proposal could be drafted to include taxation. He described a "gatekeeper" check to ensure taxes have been paid for previous years before renewing a license, although it would be an administrative burden. **Hendricks** asked if a fine could be placed on those who have not paid taxes as well a penalty and violation clause. **Shumaker** stated if the owner is not paying taxes their license could be revoked. A general consensus from the group is to institute a tax.

Limitation on Ownership. **Shumaker** reiterated the proposal for one single owner can have a limited number of properties. **D. Huntington** stated he feels there is no problem to be had currently therefore the group is solving a problem that doesn't exist. **Hendricks** stated his major concern is a mega corporation coming to Stevenson and buying an exuberant amount of homes. **Shumaker** directed the group to look at page 2 of 6 in attachment 1 which states application requires names to be put on the license. **Hendricks** proposed a tiered fee for those wishing to own more than one home such as house #1 is \$10, #2 is \$20, #3 is \$30 so on and so forth, He stated an appropriate amount would be placed on this regulation. **Jessel** pointed out the circumstances that happened in Seaside, Oregon in which the market was depressed for a good amount of time in regards to vacation rentals. In turn local real estate and businesses failed. Seaside then put in a regulation to allow a certain area for vacation rentals. **Shumaker** spoke of Bend, Oregon in which empty subdivisions were rolled out then turned into vacation rentals with the surrounding neighborhood extremely upset. The group came to a consensus in which limitation of rentals is not necessary.

Treating a Vacation Rental in SR Different Than Multi-Family or Commercial District. The group came to a consensus this regulation should be dropped.

Staff Reports

4. NONE

Discussion

5. COMMISSIONERS' UPDATES

Adjournment - 8:09 PM

Approved _____; Approved as Amended _____

Paul Hendricks, Chair

Date

Minutes by Sofia Urrutia-Lopez



City of Stevenson

Planning Department

(509)427-5970

7121 E Loop Road, PO Box 371
Stevenson, Washington 98648

TO: Planning Commission
FROM: Ben Shumaker
DATE: November 9th, 2015
SUBJECT: ZON2015-02- Vacation Rental Program

Introduction

The memo presents the Vacation Rental Program as it would be implemented if the attached draft regulations are adopted. A companion memo is also available which summarizes the policy discussions to date and includes the draft regulations in their entirety. This memo includes only what the regulated public and vacation rental home neighbors are likely to encounter if the program is implemented.

Application Form and Process

The application form will likely only be seen by the owner/contact person and City counter staff. The form includes several statements which must be initialed by the applicant before it is accepted by the City. These statements address the operational requirements of the draft regulations (SMC 5.20.040) and are primarily statements of intent to conduct an action in the future. This incorporates the prevailing sentiment that there be “an assumption of trust” until regulation is needed. This also eases the staff burden associated with issuing a license. If no problems are known, licenses will be issued by counter staff as they are received.

License Template

Seen by counter staff and owner/contact person and required to be posted in the unit for guests to see, this form includes many of the draft regulations’ mandatory posting requirement (SMC 5.20.040(F)). The template also enables the possibility for adaptive management when licenses are renewed if there is a clear history of mismanagement (SMC 5.20.035(B)).

Good Neighbor Guidelines

Seen by owners, guests, and neighbors, the draft code encourages owners to include the Good Neighbor Guidelines in rental contracts (SMC 5.20.040(F)(6)) and the City could easily to require them to be included as a special requirement when problem licenses are renewed (SMC 5.20.035(B)).

Neighborhood Notice

This template will be sent by the owner/contact person to the owners or occupants within 300’ of a vacation rental home (SMC 5.20.040(A)).

Complaint Form

This form enables the feedback mechanism for neighbors and vacation rental owners to avoid neighborhood disruptions (SMC 5.20.040(C) & 5.20.050). The submittal of the complaint form does not trigger warnings/revocation by itself, but may lead to City investigations that trigger warnings/revocation.

Prepared by,

Ben Shumaker
Planning Director



CITY OF STEVENSON

7121 E Loop Road, PO Box 371, Stevenson, WA 98648

2016-2017 Vacation Rental License

(Stevenson Sales Tax Location Code 3002)

Vacation Rental Address: _____

Vacation Rental Tax Lot #: _____ Vacation Rental Telephone #: _____

WA State Business License (UBI) #: _____ Tax Reporting Frequency: _____

Owner Name: _____

Contact Person: _____

Phone #: _____

Phone #: _____

Email Address: _____

Email Address: _____

Permanent Residence: _____

Contact Person Address: _____

City: _____

City: _____

State: _____ ZIP: _____

State: _____ ZIP: _____

Mailing Address: _____

Mailing Address: _____

City: _____

City: _____

State: _____ ZIP: _____

State: _____ ZIP: _____

If the Owner is not a permanent resident of the Local Area (Clark, Klickitat, or Skamania counties in Washington, Hood River or Multnomah counties in Oregon), **a Contact Person residing or doing business in the Local Area is required.**

Submittal Checklist: Fill in the information requested and initial each statement to certify its truth and accuracy.

_____: This vacation rental home will collect and remit state and local sales and use taxes and special hotel/motel taxes as required by the City and State of Washington Department of Revenue.

_____: The annual neighborhood notice will be sent or handed out to all owners and/or occupants of property within 300' of the vacation rental property.

_____: The City is authorized reasonable access to the vacation rental home to carry out the administrative duties of SMC 5.20. The last Vacation Rental Inspection was conducted on _____.

_____: The Good Neighbor Guidelines will be provided to guests of the vacation rental home. The Guidelines will ___/will not ___ be incorporated into the occupant's rental contract.

_____: The City has the right to publish the names and phone numbers of the owner and contact person to help resolve disruptions caused by the vacation rental home.

_____: There are ___ off-street and ___ on-street parking spaces available to the vacation rental home. It is understood that on-street spaces are not for the exclusive use of the vacation rental home, and a diagram of parking spaces will be provided to guests which expresses this.

Incomplete applications will not be accepted. ● Please ensure that all fees & submittals are included

Applicant Name: _____ Signature: _____ Date: _____

_____ Check here if this property is no longer used as a Vacation Rental Home

Office Use Only:	Application Fee:		
Account	Date:	Receipt #:	License #:
#001 000 000 321 90 00			



City of Stevenson
Vacation Rental License
#2016-06

Property Address: **14151 NW Fir View Road**
Issued to: **Rick & Erica Jessel (337) 555-2525**
Contact Person: **Glenn Morris (509) 555-1313**

Requirements: This vacation rental home is licensed under SMC 5.20 and subject to ongoing operational requirements.

Special Requirements: Additionally, this vacation rental home is subject to the following special operational standards:

1. None.

Expires: June 30th, 2017



City of Stevenson

Vacation Rental Home

Good Neighbor Guidelines

Hello new neighbors! However long you stay, Stevenson welcomes you as part of our community. We like our small town charm, and we think you will like it too. Remember though, we're all on this merry-go-round together. These Good Neighbor Guidelines are available to help us keep our small town an amazing place to live, work and play.

-
1. **24-Hour Contact Information.** If at any time you have concerns about your stay in regards to your neighbors, please call the contact number listed in the rental lease agreement or posted in the unit. In the event of an emergency, please call 911.
 2. **General Respect for Neighbors.** Be friendly, courteous, and treat your neighbors like you want to be treated. Respect your neighbors, their privacy, and their property.
 3. **Noise.** Be considerate of the neighborhood and your neighbor's right to the quiet enjoyment of their home and property, especially after 10 PM.
 4. **Maintenance of Property.** Be sure to pick up after yourself and keep the property clean, presentable and free of trash.
 5. **Parking.** Refer to the parking diagram posted in the unit and park *on-site* whenever possible. Do not park on lawns or in a manner which blocks driveways, sidewalks, alleys or mailboxes. *On-street* parking is a community resource, don't be surprised to see a neighbor parked in front of the home you are renting.
 6. **Traffic Safety.** Drive slowly through neighborhoods and watch for pedestrians and children playing. Better yet, our streets, sidewalks and trails offer safe, convenient, and interesting alternatives to your in-town destinations.
 7. **Fires.** Our wonderful summer weather lends itself to heightened fire hazards. Help us all stay safe from wildfires by fully extinguishing cigarettes and abiding all seasonal and emergency bans on recreational fires.
 8. **Pets.** Promptly clean-up after your pets. Prevent excessive and prolonged barking, and keep pets from roaming the neighborhood. Control aggressive pets, and be sure to abide by the local leash laws. Store pet food indoors and in a secure container to reduce the likelihood of unwanted pest problems.
 9. **Tenant/Guest Responsibility.** Approved guests and visitors are expected to follow the Good Neighbor Guidelines. Be Sure to read your rental agreement for additional terms and restrictions which may include consequences for violating the Good Neighbor Guidelines.
-



CITY OF STEVENSON

7121 E Loop Road, PO Box 371, Stevenson, WA 98648

TO: **Neighboring Properties**
FROM: _____ **LICENSE #:** _____
DATE: _____
SUBJECT: **Vacation Rental Home in Your Neighborhood**

Hello,

A property in your neighborhood recently received a license to operate as a vacation rental home. The City views vacation rental homes as a valuable component of our tourism economy, but it also values the peace and comfort of its residents and property owners. The owners of the property located at

(Vacation Rental Home Address)

hope its use as a vacation rental home will not disturb your peace and comfort.

As a property owner or occupant within 300' of the address above, this notice provides you with the contact information of the vacation rental home's owner. You are encouraged to contact them with any questions or concerns about the property's use as a vacation rental home, and especially if the guests of the home are inconsiderate of the attached Good Neighbor Guidelines. The property's continued use as a vacation rental hinges on its ability to avoid neighborhood disruptions, and the contacts below hope to deal with issues before they become an unbearable nuisance or require any investigative effort or corrective action by the City.

Owner Name: _____ **Phone #:** _____

Local Contact: _____ **Phone #:** _____

The representatives above can be treated as your first line of defense against neighborhood intrusions from vacation rentals, but if they are unresponsive or continually unsuccessful at addressing your concerns, the City is there for you as well:

City Hall Phone #: (509)427-5970

Sheriff's Office Non-Emergency Phone #: (509)427-9490

Sheriff's Office Emergency Phone #: 911

Please save this letter or bookmark <http://ci.stevenson.wa.us/vacationrentalregistry>

Thank you,

Vacation Rental Home Owner/Operator



CITY OF STEVENSON

7121 E Loop Road, PO Box 371, Stevenson, WA 98648

Vacation Rental Complaint Form

If you are having troubles with a Vacation Rental Home in your neighborhood, please fill out this form and the City will conduct appropriate investigation into the matter. Unreasonable neighborhood disruptions may result in warnings to the vacation rental home owner, added special standards to the vacation rental license, or revocation of the license.

Vacation Rental Address: _____

Complaint/Reporting Party:

Name: _____

Address: _____

Phone #: _____

Type of Complaint (It is important that you supply as much detail as possible. If you have photos or other related information that can be used as evidence of this violation, please submit them with this form. The submitted document will not be returned and will become part of the complaint file): _____

Action by Owner/Contact Person (Whenever possible, the City encourages private resolution of vacation rental complaints. To assist private resolution, the phone numbers of licensed vacation rental owners and contact persons are available at <http://ci.stevenson.wa.us/vacationrentalregistry>)

Has the Owner/Contact Person been contacted about this complaint? Yes No

Date(s) of Contact: _____

What actions did the Owner/Contact Person take in response to your complaint? _____

Signature: _____ **Date:** _____

Note: Anonymous complaints will not be accepted unless a serious threat to public health and safety exists. You may be required to testify in court if the need arises. Personal information provided to the City by the reporting party shall be confidential unless otherwise provided by law.



City of Stevenson Planning Department

(509)427-5970

7121 E Loop Road, PO Box 371
Stevenson, Washington 98648

TO: Planning Commission
FROM: Ben Shumaker
DATE: November 9th, 2015
SUBJECT: ZON2015-02- Vacation Rental Policies/Regulations

Introduction

The memo provides an updated summary of policy goals and regulatory tools related to the Vacation Rental form of Overnight Lodging. Updated draft regulations are included based on previous consensus-based decisions. This memo is a companion to the more simplified Vacation Rental Program memo which is also available at this meeting.

Draft Regulatory Code

The draft regulatory code includes ten regulatory tools from the table below. Eight of the tools are considered mandatory. Two are considered advisory.

Annual License Renewal- Described in several sections throughout the draft, this tool ensures property owners are continually aware of the City's regulatory program and enables adaptive management of properties failing to meet the standards of that program.

Revocable License- This tool would prohibit a home from being used as a vacation rental for a period of 12 months. Revocations are appealable and will be based on a documented history of problems. Primarily described in SMC 5.20.050.

Taxation. This hot topic would be made a requirement under SMC 5.20.040(E)

Neighborhood Notice- License recipients would be required to send or hand deliver notice to all property owners or occupants within 300' of the property containing their vacation rental home(s). [SMC 5.20.040(A)]

Local Management- Several code sections address the need for a local contact person and set expectations for how the owner/contact person should deal with complaints.

Staff Inspections & Fire Code Compliance- For these two tools, the Building and Planning departments are working on a Vacation Rental Fire Safety Checklist which would be the subject of the inspection if one is required under SMC 5.20.040(D).

Interior Posting- Required by SMC 5.20.040(F), certain information would need to be posted in the unit.

Complaint/Action Log- An advisory tool, this is addressed in SMC 5.20.040(C)(2).

Added Parking Standards- Also an advisory tool, the parking protocols are included in this draft to enable informed review of parking issues if they occur in the future. [SMC 5.20.020(A)(8) & 040(F)(5)]

October Options for Regulatory Intentions and Tools	
Regulatory Intent	Tools (City)
Avoid Neighborhood Disruptions	<ul style="list-style-type: none"> • Revocable License (Bend, Cannon Beach, Lincoln City, Manzanita) • Annual License Renewal (Bend, Lincoln City, Manzanita) • Neighborhood Notice (Bend, Cannon Beach, Lincoln City, Manzanita) • Interior Informational Posting (Bend, Cannon Beach, Lincoln City) • Local Management (Bend, Cannon Beach, Lincoln City, Manzanita) • Exterior Informational Posting (Bend, Lincoln City, Manzanita) • Staff Inspections (Cannon Beach, Lincoln City, Manzanita) • Added Parking Standards (Bend, Cannon Beach, Lincoln City, Manzanita) • Guest Limit (Cannon Beach, Lincoln City, Manzanita) • Complaint Log/Action Log (Bend, Cannon Beach, Lincoln City).
Reduce Speculation	<ul style="list-style-type: none"> • Non-transferable License (Bend, Cannon Beach, Lincoln City, Manzanita) • Revocable License (Bend, Cannon Beach, Lincoln City, Manzanita) • Annual License Renewal (Bend, Lincoln City, Manzanita) • Limitation on Ownership (Cannon Beach, Lincoln City) • License Caps (Cannon Beach, Manzanita)
Reduce Proliferation	<ul style="list-style-type: none"> • Non-transferable License (Bend, Cannon Beach, Lincoln City) • Revocable License (Bend, Cannon Beach, Lincoln City, Manzanita) • Annual License Renewal (Bend, Lincoln City, Manzanita) • License Caps (Cannon Beach, Manzanita) • District Specific Allowance (Cannon Beach, Lincoln City) • Limitation on Ownership (Cannon Beach, Lincoln City)
Taxation	<ul style="list-style-type: none"> • Annual License Renewal (Bend, Lincoln City, Manzanita)

November Options for Regulatory Intentions and Tools	
Regulatory Intent	Tools (City)
Avoid Neighborhood Disruptions	<ul style="list-style-type: none"> • Annual License Renewal • Revocable License • Neighborhood Notice • Local Management • Staff Inspections • Interior Informational Posting • Added Parking Standards • Complaint Log/Action Log
Reduce Housing Speculation	<ul style="list-style-type: none"> • Revocable License • Annual License Renewal
Reduce Vacation Rental Proliferation	<ul style="list-style-type: none"> • Revocable License • Annual License Renewal
Ensure Market Fairness and Taxation	<ul style="list-style-type: none"> • Annual License Renewal • Taxation Required

	<ul style="list-style-type: none"> • Taxation Required (Cannon Beach, Lincoln City, Manzanita)
Protect Guests	<ul style="list-style-type: none"> • Annual Renewal (Bend, Lincoln City, Manzanita) • Local Management (Bend, Cannon Beach, Lincoln City, Manzanita) • Interior Informational Posting (Bend, Cannon Beach, Lincoln City) • Added Parking Standards (Bend, Cannon Beach, Lincoln City, Manzanita) • Staff Inspections (Cannon Beach, Lincoln City, Manzanita) • Building/Fire Code Compliance (Bend, Cannon Beach, Lincoln City, Manzanita) • Guest Limits (Cannon Beach, Lincoln City, Manzanita)
Associated Administrative Burden	<ul style="list-style-type: none"> • Non-transferable License (Bend, Cannon Beach, Lincoln City, Manzanita) • Revocable License (Bend, Cannon Beach, Lincoln City, Manzanita) • Annual License Renewal (Bend, Lincoln City, Manzanita) • Neighborhood Notice (Bend, Cannon Beach, Lincoln City, Manzanita) • Staff Inspections (Cannon Beach, Lincoln City, Manzanita) • Taxation (Cannon Beach, Lincoln City, Manzanita) • Limitation on Ownership (Cannon Beach, Lincoln City, Manzanita) • License Caps (Cannon Beach, Manzanita) • Building/Fire Code Compliance (Bend, Cannon Beach, Lincoln City, Manzanita) • Exterior Information Posting (Bend, Lincoln City, Manzanita) • Complaint/Action Log (Bend, Cannon Beach, Lincoln City)
Benefit Economy	<ul style="list-style-type: none"> • Local Management (Bend, Cannon Beach, Lincoln City, Manzanita) • Building/Fire Code Compliance (Bend, Cannon Beach, Lincoln City, Manzanita) • Guest Limit? (Lincoln City, Manzanita)
7 Total Intents	16 Total Tools: 6 Consensus, 10 Undetermined

Protect Guests	<ul style="list-style-type: none"> • Annual Renewal • Local Management • Interior Informational Posting • Staff Inspections • Fire Code Compliance • Added Parking Standards
Reduce Administrative Burden & Barriers to Entry	<ul style="list-style-type: none"> • Revocable License • Annual License Renewal • Neighborhood Notice • Staff Inspections • Taxation • Fire Code Compliance • Complaint/Action Log
Benefit Economy	<ul style="list-style-type: none"> • Local Management • Fire Code Compliance
7 Total Intents	10 Total Tools: 8 Required, 2 Advisory

Additional Provisions

Staff also incorporate a hardship allowance, penalty section, revocation procedure, and other procedural sections in this draft. Specific comments on these are also welcomed.

Next Steps

Staff will incorporate tonight's guidance into a final draft regulatory program for presentation at a public hearing. Staff will also transition to the zoning code portion of the update for other overnight lodging types (hotels, hostels, campgrounds, and bed & breakfasts). The next Planning Commission meeting is on Monday, December 14th. Commissioners should expect this topic on that agenda with a potential public hearing and recommendation to City Council.

Prepared by,

Ben Shumaker
Planning Director

Attachments

- Draft Regulatory Framework
- Public Comments/Submittals

Title 5 – Business Taxes, Licenses and Regulations

Chapter 5.04 – General Provisions

Chapter 5.08 – Peddlers and Solicitors

Chapter 5.12 – Public Dances

Chapter 5.16 – Garage Sales

Chapter 5.20 – Vacation Rental Homes (Proposed)**Chapter 5.20 – Vacation Rental Homes [Proposed]**

5.20.005 – Findings, Intent and Purpose.

- A. In the adoption of these regulations, the city finds that the rental of dwelling units for less than ~~28-30~~ days is an important contributor to the Comprehensive Plan's tourism goal. The City also finds that these vacation rentals are part of an emerging market that has the potential to be incompatible with surrounding residential uses. [Similar to Cannon Beach]
- B. The regulations below are intended to ensure special regulation of vacation rentals that will:
 1. Avoid unchecked neighborhood disruptions,
 2. Protect guests,
 3. Ensure market fairness and taxation,
 4. Benefit the local economy, and
 5. Reduce administrative burdens and barriers to entry. [No similar provisions]
- C. This chapter provides an administrative framework for licensing the annual operation of a vacation rental home. A vacation rental home license is a limited permission to use property for vacation rental purposes. A license may be ~~suspended, terminated~~ modified or revoked if the standards of this chapter are not met ~~or the dwelling is sold or otherwise transferred as defined in this chapter~~. [Similar to Bend and Lincoln City]

5.20.010 – Definitions.

As used in this chapter, the following definitions shall apply unless the context clearly indicates or requires a different meaning.

- A. Contact Person. The owner or, if designated on the application for a license, the management representative authorized to act for the owner. [Similar to Manzanita]
- B. Dwelling Unit. One or more rooms occupied, designed or intended for occupancy as separate living quarters, and containing four (4) or more of the following:
 1. Refrigeration,
 2. Cooking facility (including cooking stove, hot plate, range hood, microwave, or similar appliance) or wiring or venting to support same,
 3. Dishwashing machine,
 4. Sink intended for meal preparation (not including a wet bar),
 5. Garbage Disposal,
 6. Toilet,
 7. Shower or bathtub. [Similar to Manzanita]

- ~~C.~~ Local Area. ~~The area within 30 vehicle minutes of a vacation rental home as demonstrated by the applicant using commonly available online mapping technology~~
~~—[OR]~~
- ~~C.~~ Local Area. All areas in the Washington counties of Skamania, Clark, Klickitat and Skamania and the Oregon counties of, Multnomah, and Hood River and Multnomah counties.
- D. Owner. The natural person or legal entity that owns and holds legal and/or equitable title to the property. ~~If the owner is a trust, any person who is a trustor or trustee shall be considered an owner. If the owner is a business entity such as a partnership, corporation, limited liability company, limited partnership, limited liability partnership or similar entity, any person who owns an interest in that business entity shall be considered an owner.~~
 [Similar to Bend]
- E. Remuneration. Compensation, money, rent or other bargained for consideration given in return for use, rent, or occupancy of a vacation rental home. [Similar to Lincoln City]
- ~~F.~~ ~~Sale or Transfer~~~~[s]~~. ~~Any change of ownership during the lifetime of the license holder, whether or not there is consideration, after the death of the license holder, or after the original owner transfers greater than 75 percent interest in a trust or business entity. Exceptions: 1) A change in ownership where title is held in survivorship with a spouse or domestic partner, 2) Transfers on the owner's death to a trust which benefits only a spouse or domestic partner for the lifetime of the spouse or domestic partner, 3) The transfer of ownership of real property to or between the members of a trust or business entity when the transfer involves the same owner(s), 4) the transfer to a trust or business entity, if at least one original owner is living at the time of transfer and retains at least a 25 percent interest in the trust or business entity.~~ [Similar to Bend and Lincoln City]
- ~~G.F.~~ Vacation Rental Home. A dwelling unit for which an owner receives or seeks remuneration for use or occupancy for a period of 27-less than 30 consecutive days ~~or less~~ per rental period. [Similar to Manzanita & Washington DOR]
- ~~H.G.~~ Vacation Rental License or License. The regulatory license required by SMC 5.20.15 and described in this chapter.

5.20.015 –Vacation Rental License Required.

No owner of property within the Stevenson city limits may advertise, offer, operate, rent, receive remuneration for, or otherwise make available or allow any other person to make available for occupancy or use a vacation rental home without a vacation rental license. Advertise or offer includes through any media, whether written, electronic, web-based, digital, mobile or otherwise. [Similar to Bend]

5.20.020 – Application and Fee.

- A. Application required. ~~Application for an operating license shall be on forms provided by the city, demonstrating the application meets the standards required by this chapter. The owner or contact person shall certify the following information to be true and correct: [Similar to Bend]~~An application for a vacation rental license shall be completed and submitted to the City on a form provided by the City. The application shall be signed by the owner or contact person and contain the following information: [Similar to Manzanita]

1. Owner Information. Owner's name, permanent residence address, ~~permanent residence~~ telephone number, owner's mailing address, and the vacation rental home address and telephone number. ~~The application must include the names, mailing addresses, and telephone numbers of all persons holding an ownership interest in the property, or holding an ownership interest in the entity that owns the property.~~ [Similar to Bend]
 2. Contact ~~person~~ Person Information. If the owner does not permanently reside in the local area or is not always available when the property is being rented, the owner shall provide the name, telephone number and email of a contact person ~~from the local area to who~~ represent the owner regarding the use of the property and/or complaints related to the vacation rental home as set forth in SMC 5.20.~~XXX040(C)~~. [Similar to Bend]
 3. ~~T~~ax Information. ~~A statement of intent to collect and remit all taxes associated with the vacation rental home.~~
 4. ~~I~~nspection Access. ~~A statement allowing the City reasonable access to the property for the purpose of reviewing the proposal for the health and safety requirements set forth in SMC 5.20.040(D).~~
 5. Right to ~~publish~~ Publish Contact Information. -A statement allowing the City to make ~~owner and contact person c~~ontact phone numbers publicly available.
 6. Neighborhood Notice. A statement of intent to notify neighbors as required by SMC 5.20.040(A).
 7. Good Neighbor Guidelines. A statement of intent to provide the Good Neighbor Guidelines to guests of the vacation rental home.
 8. Parking Diagram. A statement of intent to provide guests of the vacation rental home with a diagram of parking spaces that are available to or intended for use by the vacation rental home.
 - 6-9. Such other information as the City Administrator ~~or designee~~ deems reasonably necessary to administer this chapter. [Similar to Bend]
- B. Application Fee. Applications under this section shall be accompanied a nonrefundable fee payable to the city in an amount established and periodically adjusted by the City Council. Application fees may be prorated if issued for less than half of the annual term. At the discretion of the City Administrator, the application fee may include the actual costs for labor, overhead, and expenses for outside consultant reviews and/or special inspections. [Similar to Stevenson]

5.20.025 – Term of Annual License ~~and Transferability~~.

~~Term.~~

~~B.~~ _____ A vacation rental license shall be issued for a period not to exceed one year, with its effective date running from the date the license is issued to June 30th and may be renewed annually by the owner or contact person provided all applicable standards of this chapter are met. [Similar to Bend]

~~—Transferability. The vacation rental license shall be issued in the name of the owner and is not transferable. The license shall terminate and be deemed void when the license holder~~

~~sells or transfers the property. Although not transferable, the new owner or contact person shall have 60 days to apply for a new operating license. [Similar to Bend]~~

5.20.030 – Licensing and Renewal Procedures.

A vacation rental license shall be obtained and/or renewed as required in this section. The ability to operate a vacation rental home in the City of Stevenson shall be discontinued for failure to obtain or renew a license to operate as provided in this chapter.

- A. Application and Renewal Process. A person engaging in operation of a vacation rental home who has not yet obtained a license, or who is required to renew an existing operating license, shall do so as follows:
 1. Time for Application.
 - a. New Licenses. For new vacation rental licenses, it is the responsibility of the owner or contact person to apply for and receive a license prior to operation of a vacation rental home.
 - b. Existing Vacation Rental Homes. A completed license renewal application and renewal fee is due for all existing short-term rentals on June 30, 2016, and annually every year thereafter.
 - ~~c. Sale of the Property. Upon sale or transfer of property subject to a vacation rental license, it is the obligation and responsibility of the new owner or contact person to obtain a new license to operate the vacation rental home. The new owner or contact person shall have 60 days from the date of the sale or transfer to apply for a new operating license.~~
 - ~~3.2.~~ Notice. Prior to the June 30th annual due date, the City shall send notice of the need for a license or expiration of a license to the owner of any property for which an application is due as follows:
 - a. For the first license required of any property containing a vacation rental home in the City of Stevenson Zoning Code's C1 Commercial or CR Commercial Recreation districts at the effective date of this code, notice will be sent to the owner as determined by the records of Skamania County from the most recent property tax roll assessment.
 - b. For the first license required for any property other than those described above, it is the owner's obligation and responsibility to apply for a license.
 - c. For license renewal, notice will be sent to the mailing and email addresses of the owner and contact person as provided to the City on the application.
- B. Notice—Late Applications. If the license application or renewal application is not received by the due date, the City shall send notice of expiration to the owner and contact person, if known, of any property for which a timely application has not been received, advising the owner that they have 30 days to respond. An application will be considered timely ~~if~~ submitted if the City receives a completed application, accompanied by the required fees, within the 30-day late period.
- C. License Expiration. For ~~f~~Failure to submit an application, upon expiration of the 30-day late period, the ability to operate shall be conclusively presumed to be discontinued with no further action by the City. For renewals, upon expiration of the late period, the ability to operate shall be conclusively presumed to be discontinued and the City will commence

revocation of the license pursuant to the procedures in SMC 5.20.XXX050. ~~For new owners, once the 60-day grace period to apply for a license expires, the ability to operate shall be conclusively presumed to be discontinued with no further action by the City.~~

~~Renewal Standards.~~

~~0. The City will review an application for vacation rental home license renewal provided all the standards in this chapter continue to be met. If not met, the City will not renew the license and the property shall not be used as a vacation rental home.~~

~~0. A decision on a license application or renewal may be appealed as provided in SMC 5.20.XXX. [Similar to Bend]~~

5.20.035 – Criteria for Approval and Renewal of a License.

- A. New License. Upon receipt of a complete application for a new vacation rental license and payment of all required fees, the City Administrator or designee will issue a vacation rental license.
- B. License Renewal. Upon receipt of a complete application for renewal of a vacation rental license and payment of all required fees. The City will review the application and available information to determine compliance with the operational requirements of SMC 5.20.XXX. If not met, the City Administrator or designee will not renew the license and the property shall not be used as a vacation rental home. Alternatively, the City Administrator may issue the license subject to reasonable special operational standards. ~~To receive approval, an applicant must demonstrate that all approval criteria listed below has been satisfied:~~
- C. Owner's Role. The owner has the burden of proof to demonstrate compliance with each operational requirement and special standard placed on the vacation rental license. Staff may verify evidence submitted and the applicant shall cooperate fully in any investigation. [Similar to Bend]
- D. Appeals. A decision on a license application or renewal may be appealed as provided in SMC 5.20.XXX.

A. 5.20.040 – Operational Requirements.

~~1. [Reserved for Specific Standards]~~

~~2. [Reserved for Specific Standards]~~

~~3. [Reserved for Specific Standards]~~

~~4. [Reserved for Specific Standards]~~

- 5-A. Notice to Neighbors. The owner or contact person shall provide an annual mailing or otherwise distribute by hand, a flier to all property owners of record and/or occupants within a radius of 300 feet of the exterior boundaries~~neighbors within a 250-foot radius~~ of the property licensed ~~for as~~ a vacation rental home. The notice shall include the license number and the mailing address and telephone number of the owner and contact person. The purpose of this notice is so that neighboring property owners and residents can contact a responsible person to report and request resolution of problems associated with the operation of the vacation rental home. If the permanent contact information changes during the license period, the new information must be mailed or distributed again.

- 6-B. Electronic Availability. In addition, the City will make a database electronically accessible within which any person can obtain the owner and contact person's name and telephone

number. If the permanent contact information changes during the license period, the new information must be provided to the City.

- C. Response to Complaints. The owner or contact person shall respond to neighborhood questions, concerns, or complaints in a reasonably timely manner depending on the circumstances.
1. Owner Responsibility. Reasonable initial inquiries or complaints related to the expectations set in the Good Neighbor Guidelines may first be made to the owner or contact person. However, it is not intended that the owner or contact person act as a peace officer or code enforcement officer of the City or put themselves in an at-risk situation. In such cases, the owner or contact person should contact the City to discuss resolution of the complaint.
 2. Complaint Log. The owner or contact person should maintain a record of complaints and the actions taken in response to the complaint, if relevant, in a manner reasonable to document the interaction. If kept, this record can then be made available for City inspection upon request to investigate below.
 3. City Authority. If there is a failure to respond or a clearly inadequate response by the owner or contact person, a complaint may be submitted to the City on a form provided by the City, and the City will respond or investigate as needed. The City will first seek voluntary compliance or resolution, but if the City finds substantial evidence supports further action given the complaint(s), the City will follow the warning procedures set forth in SMC 5.20.050(A).
 4. Records. On request and in compliance with the public records law, the City shall provide the owner and/or contact person with the information in the complaint.
 5. Grounds for Warning. Repeated failure of the owner or representative to timely and reasonably respond to a complaint(s) relayed by City staff is considered grounds for a warning and potential revocation under SMC 5.20.050. Repeated noise complaints regarding tenants may be grounds for a warning to the owner, if, in the reasonable judgment of the City Administrator, the circumstances indicate the owner should be held responsible. Initiating a nuisance enforcement action under SMC 8.45 or SMC 8.60 may be grounds for a warning in the appropriate circumstances. [Similar to Bend]
 6. Administrative Rules. The City Administrator shall have the authority to establish administrative rules and regulations consistent with the provisions of this chapter for the purpose of interpreting, clarifying, carrying out, furthering, and enforcing the provisions of this chapter. A copy of such administrative rules shall be on file and made available at City Hall.
- B-D. [Reserved for Specific Standards]Health & Safety. Every vacation rental license shall be subject to inspection by the Building Official or designee at the City's discretion, but no less than once every 5 years. The purpose of the inspection is to determine conformance with the Vacation Rental Fire Safety Checklist (fire extinguishers, smoke alarms, carbon monoxide detectors, etc.). It is the owner's responsibility to assure that deficiencies identified in the checklist are addressed and that the vacation rental home is and remains in substantial compliance with all applicable fire, building, and safety codes and other relevant laws, whether identified on the vacation rental fire safety checklist or not. [Similar to Bend and Manzanita]

~~C.E.~~ Taxation. The owner shall fully comply with all applicable City and State tax reporting and payment requirements, especially lodging taxes due to the City under SMC 3.03 and retail sales and use taxes due under SMC 3.08. [Similar to Manzanita][Reserved for Specific Standards]

F. Mandatory Postings. Tenants of a vacation rental home shall have access to important information related to the licensing and use of the vacation rental home. This information
~~The vacation rental license issued by the City shall be displayed in a prominent location within the interior of the dwellingdwelling, either -adjacent to the front door or in a highly visible rental binder-. The information shall include:~~

~~D.1. The vacation rental license will contain the following information;:~~

2. Any special standards placed on the vacation rental license;

3. The property address.

~~1. A number or other identifying mark unique to the vacation rental license which indicates the license is issued by the City of Stevenson, with the date of expiration;~~

~~2.4. The name of the owner and contact person and a telephone number where the owner and contact person may be contacted;~~

~~3.5. [Reserved for Information Related to Specific Standards]The parking diagram of the parking spaces available for use by the vacation rental home. The Parking Diagram may include on-street parking areas, but on-street parking is not for the exclusive use of any home or vacation rental home;~~

~~4.6. [Reserved for Information Related to Specific Standards]The city-provided Good Neighbor Guidelines. Additionally, the City encourages all owners to incorporate the Good Neighbor Guidelines into the rental contract. [Similar to Bend]~~

5.20.045 – Hardship License.

The City Council at its discretion may approve a special hardship license where it is determined that a medical condition, death of a spouse or other extraordinary financial burden is likely to jeopardize the owner’s ability to maintain ownership of the property. The Council may attach a time limit with a hardship license. The time limit shall not exceed 2 years, after which time, the owner shall be expected to meet the standard licensing and operational requirements of this chapter. [Similar to Manzanita]

~~5.—Any required information and conditions specific to the operating license;~~

~~—The property address. [Similar to Bend]~~

~~D.——[Reserved for Specific Standards]~~

5.20.040 – [Reserved]

5.20.045 – [Reserved]

5.20.050-050 – Revocation Procedure.

A. In addition to the penalties described in SMC 5.20.055, the following provisions apply to violations of this chapter:

1. Failure to renew a license as set forth in SMC 5.20.030 is grounds for immediate revocation of the vacation rental license.

2. Failure to meet the operational requirements of criteria required by SMC 5.20.04035XXX is grounds for immediate revocation of the license.
 3. The discovery of material misstatements or providing of false information in the application or renewal process is grounds for immediate revocation of the license.
 4. Such other violations of this chapter of sufficient severity in the reasonable judgement of the City Administrator, so as to provide reasonable grounds for immediate revocation of the license.
 5. Other violations of this chapter, including but not limited to City initiated investigation/sustaining of complaints, shall be processed as follows:
 - a. For the first and second violations within a 12-month period, the sanction shall be a warning notice.
 - 5.b. If the same offense continues to occur or a third similar offense occurs at any time during a 12 month-period, the City may either issue a third warning or revoke the license.XXX
- B. Notice of Decision/Appeal/Stay. If the vacation rental license is ~~suspended or~~ revoked as provided in this section, the City Administrator shall send written notice of ~~suspension and~~ revocation to the owner stating the basis for the decision. The notice shall include information about the right to appeal the decision and the procedure for filing an appeal. The owner may appeal the City Administrator's decision to revoke the license under the procedures set forth in SMC 5.20.060XXX. Upon receipt of an appeal, the City Administrator shall stay the ~~suspension or~~ revocation decision until the appeal has been finally determined by the City Council. [Similar to Bend]

5.20.055 – Violations—Penalties.

- A. In addition to the revocation procedures of SMC 5.20.045, any person or owner who uses, or allows the use of, property in violation of this chapter is subject to the enforcement authority of SMC 1.18 – Civil Violation and Abatement, SMC 8.45 – Nuisances, and/or SMC 8.60 – Public Nuisances. Each day a dwelling is used in violation of this chapter shall be considered a separate violation.
- B. The following conduct also constitutes a violation of this chapter and is a civil infraction:
 1. Representing a dwelling as available for occupancy or rent as a vacation rental home where the owner does not hold a valid license issued under this chapter, or making a vacation rental home available for use, occupancy or rent without first obtaining a valid operating license;
 2. Advertising or renting a short-term rental in a manner that does not comply with the standards of this chapter; and
 3. Failure to comply with the operational requirements of SMC 5.20.040. [Similar to Bend]

5.20.055-060 – ~~Reserved~~ Appeals of Vacation Rental License Determinations.

- A. Appellant – Standing. The owner or contact person may appeal a decision by the City to deny, revoke or attach special operational standards to a vacation rental license.
- B. Authority to Decide Appeal. The City Council shall be responsible for determining an appeal of a decision brought under SMC 5.20.055(A).

- C. Time for Filing. An appellant is required to file a written notice of appeal including the basis for the appeal within 14 calendar days of the license determination being appealed. This requirement is jurisdictional and late filings shall not be allowed.
- D. Fee for Appeal. The City Council may establish by resolution a fee for filing an appeal, which shall be jurisdictional.
- E. Procedures. The City Administrator may establish administrative procedures to implement the appeal procedures provided in this section, including any required forms. The Council may adopt procedures for hearings not in conflict with this section, including but not limited to time limits on oral testimony and limitations on written argument.
- F. Hearing. After receiving written notice of appeal, the City Administrator shall schedule a hearing on the appeal before the City Council. At the hearing, the appellant shall have the opportunity to present evidence and arguments as may be relevant. The Council may direct the City Attorney to draft findings of fact and interpretations of code or law to be considered at a later Council meeting.
- G. Standard of Review and Decision. The Council shall determine whether the City's decision was based on a preponderance of the evidence. A decision of the Council shall be based on the evidence received, in writing and signed by the mayor, and issued no later than 30 calendar days after the close of the hearing.
- H. Finality. The Council's decision shall be final on the date of mailing the decision to the appellant. The Council's decision is the final decision of the City and is appealable only by writ of review to Superior Court.

5.20.060-065 – ~~[Reserved]~~ Discontinuance of Vacation Rental Occupancy.

- A. After Revocation. After a vacation rental license has been revoked, the dwelling unit may not be used or occupied as a vacation rental home unless a new license is issued, and the owner of the property to which the license applied and whose license has been revoked shall not be eligible to reapply for a vacation rental license for vacation rental home on the same property for a period of 12 months from the date of revocation.
- B. After Expiration. If a vacation rental license expires, the dwelling unit may not be used or occupied as a vacation rental home. The owner of the property to which the license applied and whose license has expired shall be required to apply for and obtain a vacation rental license before the property may be lawfully used or occupied as a vacation rental home.

5.20.070 – Remedies Not Exclusive.

The remedies provided in this chapter are in addition to, and not in lieu of, all other legal remedies, criminal and civil, which may be pursued by the City to address any violation of this code.

Personal Home Rentals

JUNE 2009

HOME RENTALS

Many property owners are not aware that they may be required by law to collect and remit retail sales tax, and possibly other lodging taxes, if they rent out their homes for periods of less than 30 days. These short term rentals are referred to as "transient rentals." This fact sheet contains important information for people who rent out their personal homes, including condominiums and time share units, located in Washington.



TRANSIENT RENTAL BUSINESS

Anyone who intends to regularly engage in a transient rental business must collect and report taxes. Examples of intent to engage in the transient rental business include advertising the availability of your personal home for transient rental in a newspaper, on the Internet, or hiring a property manager to handle the rental of your home.

The Department of Revenue will presume that if you rent your home three or more times in a year for periods of less than 30 days each you are engaged in a taxable business activity. A long term rental where the guest contracts in advance to stay more than 30 days is not a taxable business activity and is not counted in determining the threshold for collecting and reporting taxes. If you are in the transient rental business, you must register with the Department and collect and remit retail sales tax and lodging taxes on all transient rentals. The tax is reported and paid by filing a state excise tax return. Once registered with the Department, a tax return will be mailed to you.

TAX OBLIGATIONS

Tax must be collected on transient rentals during the first calendar year in which you exceed two transient rentals. The tax is collected the third time the property is rented in the first year. All subsequent years, even if you only rent your home once or twice, tax must be collected and reported on all transient rentals.

COLLECTING TAXES FROM YOUR RENTERS

Both the state and local sales tax rate must be collected from guests at the time they are billed for the rental. The state rate is 6.5 percent, and the local rate depends upon where the rental property is located. Local sales tax rates range from 0.5 to 3.0 percent.

In addition to the regular sales tax, the Special Hotel/Motel Tax may apply at rates from 1.0 to 5.0 percent in certain areas. Other lodging taxes also apply to businesses with multiple units, but these do not currently apply to single home rentals. These include the Convention and Trade Center Tax and the Tourism Promotion Area Charges.

PROPERTY MANAGERS MUST COLLECT AND REMIT TAXES ON THE HOMEOWNER'S BEHALF

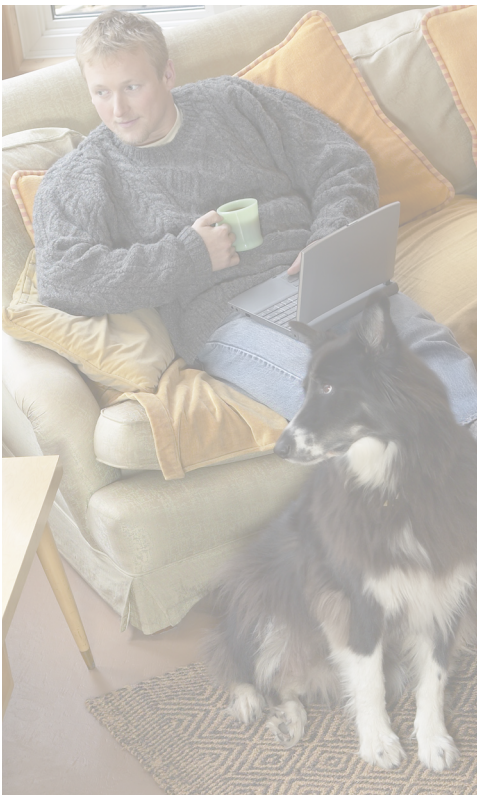
While you are not required to collect sales tax until the third transient rental in a calendar year, all transient rentals through property management services are taxable. The property manager is required to collect sales tax and lodging taxes on your behalf, even if there is only one rental listed with the property management in the first year. You should be aware that as a property owner, you may be liable for any taxes not collected by the property manager.

Examples of Taxability

	Rental Scenario	Tax Obligation
1st year	John bought a cabin as a retirement home on San Juan Island. He considered renting the cabin when he would not be using it. John had no idea how often he might rent it, but by word of mouth, he rented it out once within the first calendar year for 10 days.	John is not required to register with the Department of Revenue, or to collect sales tax and other lodging tax because he did not intend to rent his cabin out frequently, and he only entered into one rental agreement during the year.
2nd year	John rented the home five times with five separate rental agreements as follows: Rental #1 - 30 days Rental #2 - 32 days Rental #3 - 35 days Rental #4 - 14 days Rental #5 - 21 days	John is not required to register with the Department of Revenue, or collect sales tax/lodging taxes. Only the transient rentals are counted in determining the taxable threshold, and John engaged in only two transient rentals (less than 30 days) during the year.
3rd year	John rented the house four times, each for a period of less than 30 days.	John needs to register at the time he rents out his house for the third rental period during this year. John must collect tax on both the third and fourth rental periods, and remit the collected taxes to the Department of Revenue.
4th year	John rents out his house only once for a period of 29 days.	The very first transient rental is subject to sales tax/ lodging taxes because John exceeded the taxable threshold in year three. Also, for all years after this year, John must collect taxes on all transient rentals.

BUSINESS AND OCCUPATION (B&O) TAX

If you are a property owner you are responsible for paying any "retailing" B&O tax due. This is a tax calculated on gross receipts of the business. The rate is currently 0.471 percent (\$4.71 per thousand dollars of taxable rental income). However, you may qualify for the Small Business B&O Tax Credit, depending on the amount of the rental income. For information on the credit, call our Telephone Information Center toll free at 1-800-647-7706, or see our Small Business B&O Tax Credit Table, available online at dor.wa.gov. The information will also be mailed to you in our new business packet once your tax reporting account has been established.



PAYING THE TAXES COLLECTED

Taxes are reported by filing a state excise tax return. On the return report your taxable rental income and calculate state and local taxes due. You will receive excise tax returns regularly once you register with the Department.

Registering with the Department of Revenue

You can register one of two ways:

- Go to our web site, dor.wa.gov, and click on "Get a form or publication." Under Forms click on "Master Business Application."
- Call us toll free at 1-800-647-7706 to request an application. Complete and send it to the address noted on the application.

Once registered, you will receive a business license and a Unified Business Identifier (UBI) from the Department of Licensing. This UBI number is a unique number assigned to you, and it is the "registration number" used for reporting to the Department of Revenue.

Electronic Filing – Reporting the Fast and Easy Way

File and pay your returns electronically using E-file. It is the fastest and easiest way to report. We also offer a variety of electronic payment methods. To learn more, go to our web site at dor.wa.gov and click on "File my taxes online," then click "Learn about E-file benefits" and watch the video. If you have questions or need assistance, you may also call our tax specialists at 1-800-647-7706.



LODGING TAXES

Examples of Lodging Taxes by location (excluding taxes currently imposed on transient rental facilities with multiple units):

City	Retail Sales Tax	Special Hotel/Motel Tax	Calculation example*
Spokane	0.087	None if fewer than 40 rooms	\$52.20 (\$600 x 0.087)
Seattle	0.095	None	\$57.00 (\$600 x 0.095)
Leavenworth	0.080	0.03	\$66.00 (\$600 x 0.11)
Vancouver	0.082	0.02	\$61.20 (\$600 x 0.102)
Ocean Shores	0.083	0.03	\$67.80 (\$600 x 0.113)

* The calculation examples reflect taxes due assuming a single unit rented for \$600. The tax rates reflect rates in effect as of the date of publication, and are subject to change.

TELEPHONE INFORMATION CENTER

1-800-647-7706

WEB SITE

dor.wa.gov

REQUEST FOR LETTER RULING

If you would like to request a ruling on the taxability of your activities, write to:

**Taxpayer Information and Education
Washington State
Department of Revenue
PO Box 47478
Olympia, WA 98504-7478**

NOTE: Personal property taxes may apply to the value of your household items, including furniture, appliances, artwork, and any other item of tangible personal property used to furnish a home that is rented out. However, there may also be certain exemptions available. Contact your county assessor for details on how to report the personal property, and how to claim any exemptions from the tax.

To inquire about the availability of this publication in an alternate format for the visually impaired, please call (360) 705-6715. Teletype (TTY) users please call 1-800-451-7985.

The information contained in this fact sheet is current as of the date of this publication and provides general information about Personal Home Rentals. It does not cover every aspect of the tax, nor does it alter or supersede any administrative regulations or rulings issued by the Department of Revenue.



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Hood River, dealing with housing affordability issues, takes on short-term rentals



[\[http://connect.oregonlive.com/staff/hammily-l/index.html\]](http://connect.oregonlive.com/staff/hammily-l/index.html) By [Luke Hammill](#) | [The Oregonian/OregonLive](#)

[\[http://connect.oregonlive.com/staff/hammily-l/posts.html\]](http://connect.oregonlive.com/staff/hammily-l/posts.html)

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on November 01, 2015 at 7:00 AM, updated November 01, 2015 at 7:02 AM

HOOD RIVER — When Steve Wheeler moved from Portland to Hood River in 2014, he struggled to find housing.

It was "very hard," he said. "I was looking for a rental place, and the problem here is that typically you get offered a nine-month lease." In April or May, Wheeler said, the unit typically gets taken back and offered as a short-term summer rental through a service like Airbnb.

"Roughly speaking, you can charge short-term for the week what you'd charge long-term for the month. ... It was tough," Wheeler said. "I did find a place, but it was not easy."

Wheeler is Hood River's city manager.

Cities from New York to San Francisco to Portland have dueled with Airbnb and other short-term rental platforms over safety and taxes. They've also blamed the services for taking traditional rental units off the market and making housing problems worse in these already-dense urban areas.

For the most part, short-term rentals haven't been a big problem in small-town America. But city councilors in the Columbia River Gorge town of Hood River say they, too, now want to regulate short-term rentals in an effort to put the brakes on rising home prices and a loss of traditional rentals.

Just as in the big cities, though, there has been pushback from those who stand to profit from the trend.

Short-term rentals spread as home values grow

As in other desirable markets like Portland and [Bend \[http://www.oregonlive.com/front-porch/index.ssf/2015/10/bend_becoming_unaffordable_as.html\]](http://www.oregonlive.com/front-porch/index.ssf/2015/10/bend_becoming_unaffordable_as.html), Hood River has experienced escalating home values and a shortage of year-round apartments in recent years. In September, the median home price in Hood River reached \$363,000, the highest in the town's history, according to real estate website Zillow. To that point, values had increased 26 percent since the beginning of 2013.

But residents disagree about whether the short-term rental market has a significant impact on that trend.

Laurent Picard knows how "lucrative" short-term rentals can be, he said. He rents out his Hood River home several months a year, while he stays with family nearby, and does "quite well."

"If I had the money, I'd buy up as many homes as I could and rent them out short-term," Picard told The Oregonian/OregonLive in an email. "It's that good of an investment."

Picard is also a member of the Hood River City Council who is intent on regulating short-term rentals.

"Lower housing prices and fewer vacation rentals are exactly what we need to maintain our city's diverse economy," Picard said.

OUTSTATE

[Hood River, dealing with housing affordability issues, takes on short-term rentals](#)
[\http://www.oregonlive.com/front-porch/index.ssf/2015/11/hood_riv

[Bend becoming unaffordable as hot-and-cold housing market rises again](#)
[\http://www.oregonlive.com/front-porch/index.ssf/2015/10/bend_be

[All Stories](#)
[\http://topics.oregonlive.com/tag/outstate/

Outstate

This is the second in **an occasional series** [\http://topics.oregonlive.com/tag/ looking at housing trends outside the Portland area.

A city-commissioned study published in September by the consulting firm **ECONorthwest** [<http://www.econw.com/>] found that Hood River has about 190 short-term rental units, which make up roughly 5 percent of the housing stock. Add in another 150 units the study identified as "secondary housing" – properties where the owners don't primarily live at the address and are not registered to vote in Hood River County – and nearly 10 percent of the city's housing stock is unavailable to a potential buyer or year-round renter.

"We risk actually becoming a tourist economy like Aspen (Colorado), a town of second homes and investment properties," Picard said. "We risk losing the Hood River we love."

Ryan Hartman – president at unmanned aircraft manufacturer **Insitu** [<http://www.insitu.com/>], the Gorge's **largest employer** [<http://oregoneconomicanalysis.com/2012/04/03/columbia-river-gorge/>] – said one of the biggest challenges facing his company, across the Hood River Bridge in Bingen, Washington, is finding affordable housing for his employees.

"Finding a way to create entry-level housing in the Gorge has been a real challenge over the last 10 years. ... It's gotten worse," Hartman said. "As the population has grown, as the rise of short-term rentals and vacation rentals has steadily increased, certainly what we have seen is it becomes more and more challenging."

If employees end up commuting the 60 miles from Portland, Hartman said, Insitu is at risk of losing them to companies closer to where they live.

Hood River County School District [<http://schools.oregonlive.com/district/Hood-River-County/>] Superintendent Dan Goldman said he, too, is having a hard time recruiting and retaining employees.

"Our anecdotal evidence from people who are leaving is that it's too expensive to live here and raise a family here," Goldman said.

No longer a 'sleepy little town'

The housing prices reflect the explosion of Hood River's national and international appeal in recent years. The city came of age and thrived with the rise of windsurfing in the 1980s and 1990s, as it became a top destination for the sport. The views of the Columbia River Gorge, the proximity to skiing areas and nearby hiking only added to the acclaim.

The population grew accordingly, and with it came breweries, wineries and more hip shopping and dining options. The number of people living in Hood River has increased by 73 percent since 1980 and by 28 percent since 2000. The population is now estimated at 7,476, according to the U.S. Census Bureau.

City councilor Kate McBride grew up in Hood River and can remember when it was "just a sleepy little town," she said.

"It was timber and agriculture," McBride said. "There was nothing else."

McBride likes all the new opportunity the city has seen. But she still thinks the town needs to be more than a vacation destination, and that short-term rentals need to be regulated. The city is "desperate" for affordable year-round rental housing, she said.

"I like the vibrancy," she said. "I like that people have come here. I'm not against that. But... the people who make this community are being priced out."

At the crux of the debate is the degree to which Hood River's economy depends on tourism. Picard said tourism accounts for less than 5 percent of the economy. But Lesley Lamb, co-owner of **Hood River Vacation Rentals** [<http://www.hrvacations.com/>], said she remembers when Hood River "used to die at the end of the summer."

"On weekends, it was utterly dead," she said. "A lot of the stores couldn't operate in the winter."

Now, Lamb said, short-term rentals have extended the stream of visitors into the fall and even the winter, creating jobs and allowing retailers to stay open.

Opposition to the plan

Ron Montague spends as many as 80 days a year in Hood River. He and his wife bought a property there about five years ago. The home had already been used as a short-term rental, and the couple continues to rent it out through Hood River Vacation Rentals when they aren't there.

Big cities vs. short-term rentals

How some cities have dealt with the issue:

Portland:

Thousands of short-term rental hosts were operating off the books in Portland while Airbnb lobbied the city to legalize them. City Hall approved regulations on short-term rentals last year. Some forms of short-term rentals are still illegal in Portland, though, and the city recently sued the site HomeAway.com for short-term rental violations.

New York: A

2010 New York State law makes it illegal for short-term rental hosts to rent out their apartments for fewer than 30 days, unless they are present, POLITICO New York reported. That is particularly significant in apartment-heavy

"It helps us afford to have the house down there, and that's why we're doing it," Montague said. "And it may be that sometime soon we stop doing the rental piece of it and spend most of the summer down there ourselves."

Montague, who works in the Seattle area, said he wants "to be involved in a community that is active and encourages people to go outside and do stuff."

"The activity level of things to do in Hood River is unparalleled," he said.

The city still hasn't decided on exactly how it would regulate short-term rentals. But rules tentatively proposed by Picard and McBride would prohibit any more short-term rentals whose owners don't live there as their primary residence. Existing owners would be tentatively grandfathered in. The councilors said they were considering a threshold that would require living in Hood River 270 days per year for a residence to qualify as primary, but those numbers aren't set in stone.

The Hood River City Council will officially decide Nov. 9 what forms of short-term rentals will be allowed, Picard said.

Montague said he isn't opposed to paying licensing fees and agreeing to inspections. But he is suspicious that the city might go even further and keep him from renting out his home at all.

"They seem to be pretty well set on the fact that they don't want to have any more in the city," Montague said. "And they may be set on the fact that they want to get rid of the ones that are there."

Montague and his wife volunteer at a local museum and donate to city parks, he said. He pays the city about \$7,000 a year in taxes. He has improved the property, spending \$10,000 to upgrade the roof.

"We're not just there trying to make money on a short-term rental," Montague said.

The city also collects a transient room tax every time someone stays in a short-term rental. If regulation goes too far, Lamb said, second homes like Montague's that had previously been used as short-term rentals would "just sit there doing nothing" and not collect the tax or attract tourism dollars.

Lamb and her business partner, Libby Taylor, said a 270-day model would just flood the market in the summertime. And regulation could even drive short-term rentals underground, they said.

"We want what's best for Hood River," Taylor said. "But we want what makes sense."

Not just vacation rentals

The city and advocates for short-term rentals agree on one thing: Regulating them won't solve Hood River's affordability problem by itself.

Picard, McBride and the rest of the City Council recently adopted a three-pronged approach that includes more efficient land-use policy and developing more affordable housing in addition to regulating vacation rentals. The initiatives are just getting underway now and are set to ramp up in the spring.

Yesenia Castro [<http://www.nextdoorinc.org/yesenia-castro/>], 25, graduated from **Hood River Valley High School** [<http://schools.oregonlive.com/school/Hood-River-County/Hood-River-Valley-High-School/>] and works in Hood River. She's a community health worker at a nonprofit called The Next Door, and commutes 30 minutes each way from her family's home in nearby Parkdale.

Castro is planning on setting aside at least 30 percent of her income to buy a house of her own soon.

But when she does, it won't be in Hood River. In her price range, Castro said, it makes more sense to buy in Gresham, even though it'll be an hour-long commute.

"The supply in Hood River is horrible," Castro said.

-- Luke Hammill

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New York City. On Friday, the City Council there heard legislation that would further penalize short-term rental hosts for illegally renting out their homes.

San Francisco: On the Nov. 3 ballot in San Francisco is a measure that would cut the number of allowable short-term rentals to 75 nights a year per unit and add other restrictions, USA Today reported. Airbnb recently apologized for an advertising campaign, seen by many as passive aggressive, that suggested how San Francisco should spend the \$12 million in hotel taxes the company pays each year, according to CNN.

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Richard P. Jessel
120 NW Jordan Road
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509-427-5001

November 6, 2015

Vacation Rentals

I can understand the hope that vacation rentals can expand tourism and economic development without negative consequences.

The Stevenson vacation rental market is believed by many to be small and likely not to grow much so would not be a problem which may be the case.

If the vacation rental market does grow in Stevenson, then looking at other areas may help anticipate problems. Vacation rentals have presented problems wherever they go – Hood River, Portland, San Francisco and New York. (Please see the attached November 1, 2015, Oregonian article about Hood River which mentions Portland, San Francisco and New York).

In reading the “Paradise Cost” article in the Oregonian, I was struck by how vacation rentals and second homes affected the affordability of housing and subsequently the ability of working permanent residents to live in Hood River.

If vacation rentals do multiply in Stevenson there will be economic winners and losers here. If homes are occupied by tourists at times and empty other times, the displaced permanent residents will not use Stevenson’s business services such as health, auto repair, insurance, tax as well as hair salons, banking or other basic or necessary services.

Direct economic winners would most likely be restaurants, brew pubs and bars, retail shops (clothing, antiques, gifts) and services such as massage therapists or fishing guides, etc. as well as special events such as Blues & Brews, Bluegrass Festival, etc. Another likely winner may be the City of Stevenson due to increased real estate taxes.

Gas stations and groceries would benefit from vacation rental tourist yet suffer from the loss of permanent residents.

Of the 529 Stevenson residents who work, 376 (71%) work outside of Skamania County while 153 Stevenson residents work in Skamania County according to Scott Bailey, Washington State Employment Security Department economist.

These Stevenson residents who commute to work outside Skamania County may be priced out of Stevenson housing or find the desirability of Stevenson to be negatively affected by vacation rental.

I can understand Planning Commission members recommending minimum regulations of vacation rentals reasoning that the vacation rental problems will not occur or can be solved after they occur.

The experience of other cities suggests that minimum regulation of vacation rentals leads to a change in the affordability of housing both in rentals and ownership which leads to a change in the composition of the population as reported in Hood River.

When this occurs, vacation rentals will have developed into a complex political problem and also produced a host of generally negative consequences.