



Chelan County Planning Commission

Chair: Ryan Kelso

Vice Chair: Carl Blum

Commissioners District 1: Vicki Malloy, Ryan Kelso, Will Wiggs

Commissioners District 2: Jim Newberry, Randy Baldwin, Jordan McDevitt

Commissioners District 3: Carl Blum, Pat Hammersmith, Greg Becker

SPECIAL Meeting Agenda

Wednesday, June 3 at 7:00 P.M.

Chelan County Community Development

In response to the [Governor's Proclamation 20-28](#), the Planning Commission will hold all their Meetings via Zoom Video Conference until further notice. Click the link below to join the meeting, beginning at 7:00 PM on June 3, 2020.

To Join Zoom Meeting go to:

<https://us02web.zoom.us/j/85944953726?pwd=R1hoYWsyTDNydGJVckQ1NmIXK1VUZz09>

Call Meeting to Order

I. Administrative

A. Review/Approval of Minutes from May 27, 2020

II. Public Comment Period

Comment for any matters not identified on the agenda (limit 3 minutes per person)

III. Old Business

Short-term Rental Workshop – Continued from May 27, 2020

IV. New Business

V. Discussion, at the Chair's discretion

VI. Adjournment

Materials available on the Community Development website

Next Meeting Dates: Public Hearing - June 17, 2020 at 5:00 PM

Deliberation and Decision - June 24, 2020 at 7:00 PM

*** All Planning Commission meetings and hearings are open to the public.**



CHELAN COUNTY PLANNING COMMISSION MINUTES

Chelan County Planning Commission
Chelan County Community Development VIA ZOOM

Date: May 27, 2020

Called to Order: 7:00 PM
316 Washington St Ste 301
Wenatchee, WA 98801

CALL TO ORDER

Meeting was called to order at 7:08 pm.

COMMISSIONER PRESENT/ABSENT

Greg Becker	Present	Carl Blum	Present
Randy Baldwin	Absent	Vicki Malloy	Present
Ryan Kelso	Present	Jim Newberry	Absent
Jordan McDevitt	Present	Pat Hammersmith	Present
James Wiggs	Present		

STAFF PRESENT

Deanna Walter, Interim Assistant Director
RJ Lott, Planner II
Wendy Lane, Permit Clerk
Jim Brown, Director

PUBLIC PRESENT

ZOOM MEETING

BUSINESS:

Approval of minutes from May 13th and May 27th meeting.

MOTION:

Motion made by

Vote – Unanimous

Motion passes

PUBLIC COMMENT PERIOD FOR ITEMS NOT ON THE AGENDA

No Comments

OLD BUSINESS:

Continued Hearing for Short Term Rental (STR) Code Development Code from May 13, 2020

Ryan Walker turned the meeting for presentation by Lisa from Berk Consulting. She reviewed the Board of County Commissioner vision from email the Commission responded to requesting their direction and vision.

Lisa also summarized the Health District comments received regarding their review of both water and septic systems, and what their standards and criteria would be. Jordan McDevitt had specific questions about when a Group B water system would be required.

Review of list of commenters was presented to the Planning Commission.

Review of proposed code amendments. More discussion took place in the regard of threshold of 5%, in an area where the existing percentage is already 13%. Jordan McDevitt asked Lisa if there was some middle ground within the range of presented percentages. Lisa explained how that would work with the reduction of STRs.

Greg Becker asked how that reduction will take place, either by a lottery right off the bat, or through attrition. We are not being proactive – just letting the reduction happen naturally?

Lisa explained that there may be some STRs that don't meet the standards and that there would be sunset dates. Greg Becker then asked how we are going to meet our mission statement them?

Vicki Malloy expressed concern about the protection of our citizens and that we shouldn't allow people to buy the property and inherit the right to continue operating.

Jordan McDevitt stated he is uncomfortable using such a heavy hand in our first attempt to regulate an industry that so many other businesses have been built around, like Leavenworth and Chelan?

Carl Blum stated that he thinks that STRs are currently illegal and now we are grandfathering unauthorized uses in. Vicki and Greg both agreed with Carl. Greg added that we also are not differentiating between owner and non-owner occupied.

Criteria for existing units – review from power point were presented.

New units permit lottery – 3 steps

Lisa asked if owner occupied would be viewed differently and possibly exempt from the cap? Less than 100 from the research data were owner occupied according to how they were advertised, as a room.

Lisa explained how the 5% cap would work, and when the 1% increase would kick in.

Jordan again asked if any other PC members if they were interested in entertaining the 8% cap in the Leavenworth area where the percentage is already 13%, stating this would still represent a reduction. Ryan Kelso and Jim Newberry agreed, if preference is given to owner occupied.

Carl, Will, Greg and Vicki disagree, still wanting the 5%, stating that these homes were purchased as residences and if they want to exceed that they can do so in commercial zones. They agree with preference to owner occupied STRs.

One way we can show preference for owner occupied is to not count the tier 1 owner occupied units in the 5% cap.

Discussion took place regarding what the threshold date will be for “in operation” as a short-term rental.

Discussion took place regarding what taxes need to be paid to consider them legal.

Discussion took place on how many bedrooms vs. max of ten people vs. size of home vs. appropriately sizing septic tank.

Discussion took place about how these hearings would occur. Greg proposed one more meeting to firm everything up and get the proposal together for public comment.

MOTION:

A motion was made Jim Wiggs to set hearing date of June 17th starting at 5:00pm, holding just one public hearing to capture all comments.

Jordan McDevitt 2nd and proposed a friendly amendment making it clear that people have 2 minutes for comment period.

Carl Blum proposed friendly amendment of unused time cannot be passed to other commenters.

Vote – unanimous

ADJOURNMENT

MOTION:

Motion to continue work session to May 27, 2020 at 7:00 pm made by Commissioner Jordan McDevitt and seconded by Commissioner Randy Baldwin.

Vote – unanimous

Meeting Adjourned

Next meeting – Continued workshop for Short Term Rentals (Special Meeting)

June 3rd, 2020 at 7:00 pm - Zoom meeting.

Hearing Set for Code Development of Short Term Vacation Rentals for June 17th at 5:00 pm.

Special meeting set for June 24th at 7:00 for Board Discussion and Decision for the Code Development of Short Term Rentals (special meeting).

All Planning Commission meetings and hearings are open to the public.

DRAFT



CHELAN COUNTY PLANNING COMMISSION MINUTES

Chelan County Planning Commission
Chelan County Community Development VIA ZOOM

Date: May 13, 2020

Called to Order: 7:08 PM
316 Washington St Ste 301
Wenatchee, WA 98801

CALL TO ORDER

Meeting was called to order at 7:08 pm.

COMMISSIONER PRESENT/ABSENT

Greg Becker	Present	Carl Blum	Present
Randy Baldwin	Present	Vicki Malloy	Present
Ryan Kelso	Present	Jim Newberry	Absent
Jordan McDevitt	Present	Pat Hammersmith	Present
James Wiggs	Present		

STAFF PRESENT

Deanna Walter, Interim Assistant Director
RJ Lott, Planner II
Wendy Lane, Permit Clerk
Jim Brown, Director

PUBLIC PRESENT

ZOOM MEETING

BUSINESS:

Chairman Ryan Kelso asked the Planning Commission members if all had read the minutes from the May 6, 2020 meeting.

MOTION:

Motion made by Jordan McDevitt, second by Carl Blum to approve the minutes from the May 6, 2020 meeting.

Vote – Unanimous

Motion passes

PUBLIC COMMENT PERIOD FOR ITEMS NOT ON THE AGENDA

No Comments

OLD BUSINESS:

Continued Hearing for Short Term Rental (STR) Code Development Code

Staff turned discussion over to Lisa Grueter with BERKE Consulting to continue with presentation, with updates from last meeting, April 22, 2020.

Lisa Grueter went over the draft updated schedule for PC deliberations, hearings and then the BoCC will hold their own workshops and hearings. The Planning Commission was presented with an updated time line.

Interim Assistant Director Deanna Walters explained to the public participants that the desire from both, the PC and BoCC, that the public have an opportunity to attend the public hearings in person. This may require the proposed schedule to be more fluid as it will be based on the Governor's timeline for opening the state for public gatherings in a capacity that would allow 100-200 people to gather and testify, hearing the testimony from others and being able to respond.

Discussion on the percent maximum of STRs at 5% - Commissioner Carl Blum supports the 5%.

Commissioner Greg Becker introduced an idea they are implementing in Newport, at two per block instead of a blanket percent.

Discussion on overlay boundary where there may be limitations on areas based on zip code (possible overlay boundary), sub-basin boundaries, census tracts, etc. Maps for reference and example are included within the PowerPoint presentation.

Staff asked for clarification of the zip code boundary when Manson and Chelan have different zip codes, but Lake Wenatchee and Leavenworth are actually the same zip code.

Lisa Grueter, from BERKE Consulting, is just looking for direction on where the boundaries should be moving forward.

Commissioner Greg Becker asked what the goal and objective was – he asked this last year and Kirsten Larsen, former planning staff, never came back with an answer for the PC. Lisa Grueter gave a brief goal based on the situation assessment provided earlier.

Interim Assistant Director Deanna Walter committed to getting that information from the BoCC and relay that information back ASAP.

Lisa Grueter presented examples of how Bend, OR, Spokane and Walla Walla regulate and tier their STR

Need to define what “owner occupied” really means.

Commissioner Greg Becker likes the tiered method that separates the smaller STRs from the larger ones where they rent out the entire house, including the fees.

Commissioner Jordan McDevitt also likes the tiered system, but also likes the larger homes going through a higher level of review and higher burden of proof (impact analysis), with tiered fees. Maybe larger units be inspected annually, and the smaller units (single rooms) less frequently, or self-reporting.

Discussion on Guest occupancy -

The PC would like some tiering and a definition of what “owner occupied” means

Commissioner Carl Blum had questions regarding the ones he submitted at an earlier meeting.

1. Parking standards – should be similar to B & Bs.
2. Whether or not STR permits transfers or not – should not be transferable.
 - a. Commissioner Jordan McDevitt asked for clarification – should the new owner have to start over?
 - b. More discussion on this.

Conditional Use Permits, according to the CCC 11.93.080, run with the land. There would need to be another permitting system (tiered) that would need to be either administrative or legislative (BoCC) if the permit wouldn't transfer with new ownership. What constitutes a transfer of ownership?

Commissioner Greg Becker gave example of regulations in Newport, OR. Occupancy limits, paring requirements, business license, initial inspections, and proof of taxes (business and otherwise) paid.

Commissioner Carl Blum asked if the Chelan Douglas Health District (CDHD) has been engaged lately because they haven't been in the past. There has been lots of discussion regarding septic systems, but the CDHD has not weighed in on this issue through this year's process.

Interim Assistant Director Deanna Walter committed to reach out to the new Environmental Health Director (Hilary Knelleken) and get something in writing regarding restrictions on number of people.

Enforcement is also an issue. The permit fees are going to have to be adjusted to cover the cost of permitting, monitoring, tracking, and enforcement. This process should pay for itself, including whatever extra staff it will take to implement everything.

Need discussion on how the STRs are going to be permitted – whether it is first come, first served, or a lottery.

There was a discussion on how to define “existing” and what that threshold date would be.

Commissioner Carl Blum suggested verification of a state license and taxes paid for the last year – 2019.

In the Manson UGA, Commissioner Carl Blum suggests that any STRs that don't have a permit not be grandfathered into the system.

ADJOURNMENT

MOTION:

Motion to continue work session to May 27, 2020 at 7:00 pm made by Commissioner Jordan McDevitt and seconded by Commissioner Randy Baldwin.

Vote – unanimous

Meeting Adjourned

Next meeting – Continued workshop for Short Term Rentals
May 27, 2020 at 7 pm - Zoom meeting.

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Chelan County Short-Term Rentals

May 29, 2020 | Supplemental Packet

Code Direction

Based on the Planning Commission Study Session held on May 27, 2020, this document includes proposed code changes addressing:

- **Tiered Permits:** The Planning Commission desired the tiered permit process with some simpler permitting or criteria for owner occupied short-term rentals. The tiers are: Tier 1 owner occupied, Tier 2 non-owner occupied, and Tier 3 larger occupancies. There was discussion about treating Tier 1 like Bed and Breakfasts and Guest Inns that require the dwelling be the owner's primary residence; this does not appear to be defined in the Chelan County Code.
 - We suggest considering defining primary residence in some manner as other cities have done (e.g. Walla Walla, WA and Bend, OR); in the context of short-term rentals, an owner's primary residence may mean the owner is there for a majority of but not the full year and yet the unit is considered their primary residence.
- **Density Limits and Caps:** The Commission discussed identifying areas where density limits would apply to zip codes exceeding 5% short-term rentals as a percentage of the total housing stock. This would include Leavenworth-Lake Wenatchee, Manson, and Peshastin Zip Codes. The Commission discussed exempting the Rural Recreational/Residential (RRR) and Planned Unit Developments where there is an intent for short-term rentals from the density limits/caps. The other area of discussion was allowing Tier 1 units as exempt from the 5% share of short-term rentals, and the 1% cap.
- **Existing Units:** There was a discussion about how to treat existing short-term rental units. The approach would include having a path to determine consistency with the regulations including being in a zone that allows for some kind of similar use (like bed and breakfast, guest house, boarding house, hotel, etc.), and has been used as a short-term rental in the last 18 months, and has paid appropriate taxes (e.g. sales tax and hotel/motel tax that are more widely known), and meet other operational and permit standards. There was discussion about allowing for homes under construction or with approved building permits since January 2019 to have an opportunity to be considered as an existing short-term rental.
- **Operational Standards:** There were a range of comments:
 - Have a qualified person available within 60 minutes rather than 30 minutes.
 - Management plan for short-term rental should identify number of bedrooms, maximum allowed guests, floor plans, break between guests of 24 hours to allow cleaning (COVID-19), send good neighbor guidelines and complaint process to persons within 200 feet, posting good neighbor

guidelines in the dwelling. (Note the guidelines are proposed to be provided to persons within 300 feet and the guidelines must be provided in the dwelling too per Section (4)(M).)

- For Tier 3 Short-term rentals allowed to have greater occupancy if obtaining a conditional use permit – describe activities as “weddings, gatherings, and retreats.”

- There was a request to address fees. The proposed fee information from May 13, 2020 packet is included and a proposal made.

Public Comments

County staff are reviewing comments received and ensuring a complete record and providing a compilation to the Planning Commissioners regularly once a week ahead of a meeting (e.g. Mondays). As County staff and officials receive those comments, County staff will track the comments. BERK Consulting, Inc. staff will be copied on the comment compilations to the Planning Commission; that will avoid duplication or gaps in the compilation of comments going to the Planning Commission.

Chelan County

Draft Short-term Rental Code

DRAFT May 29, 2020

Discussion notes are identified in italicized blue text. Code proposals are in standard text format for all new sections; or, in some cases track changes to amended sections are shown in ~~strikeout~~ or underline. Additional review is pending with the Prosecuting Attorney's office and other adjustments may be proposed. Changes in response to Planning Commission discussion of options on 5/13 and 5/27 are shaded in gray. The gray text follows the Commission discussion of 5/27 where revisions are made to same areas of text.

Use Allowance Amendments

CHAPTER 11.04 DISTRICT USE CHART

Discussion: Targeted edits are proposed to add short-term rentals to the use table for rural and resource areas. Short-term rentals would be allowed in all rural designations that allow residential or commercial uses including zones where the purpose is recreational residences. The number would be limited by the 1% cap and short-term rental overlays to control density (see new subsection 11.88.280), and thus the zone allowances are more permissive due to other means of limiting such uses. Short-Term Rentals are "tiered" with owner occupied as Tier 1, non-owner-occupied as Tier 2, and higher occupancy short-term rentals as Tier 3. In the Peshastin UGA changes would be made to restrict short-term rentals in residential zones to address Peshastin Community Council comments. Given the history of allowing short-term rentals in Manson the use allowances are similar; however, to account for a large amount in the area, the density limits and cap do apply to the Manson UGA residential zones.

11.04.020 District Use Chart

The use chart located on the following pages is made a part of this section. The following acronyms apply to the following use chart. If a cell in the table is blank, the use listed in the left hand column is a prohibited use in the zone that is the heading for that cell.

- P — Permitted use
- P(1) — Permitted use subject to development standards in Chapters 11.88, 11.93 and/or within the applicable zoning district standards
- P(2) — Permitted use subject to development standards in Chapters 11.88, 11.93 and/or within the applicable zoning district standards, except for on parcels that are twelve thousand square feet or smaller, the use/structure must be located on a lot with an existing single-family residence
- A — Accessory use
- A(1) — Accessory use subject to development standards in Chapters 11.88, 11.93 and/or within the applicable zoning district standards
- CUP — Conditional use permit

USE/ACTIVITY	RR20	RR10	RR5	RR2.5	RW	RRR	RV	RC	RI	RP	AC	FC	MC
<u>Short-Term Rentals Tier 1 or Tier 2</u>	<u>P(1)</u>	<u>P(1)</u>	<u>P(1)</u>	<u>P(1)</u>	<u>P(1)</u>	<u>P(1)</u>	<u>P(1)</u>	<u>P(2)</u>			<u>CUP</u>	<u>CUP</u>	<u>CUP</u>
<u>Short-Term Rentals Tier 3</u>	<u>CUP</u>	<u>CUP</u>	<u>CUP</u>	<u>CUP</u>	<u>P(1)</u>	<u>P(1)</u>	<u>P(1)</u>	<u>P(2)</u>			<u>CUP</u>	<u>CUP</u>	<u>CUP</u>

72 CHAPTER 11.22 PESHAstin URBAN GROWTH AREA

73 *Discussion: The cap of 1% and limits on the location and share of short-term rentals in UGAs is found in the new*
 74 *subsection 11.88.280.*

75 11.22.030 Permitted, Accessory and Conditional Uses

76 (1) A district use chart is established and contained herein as a tool for the purpose of determining the
 77 specific uses allowed in each use district. No use shall be allowed in a use district that is not listed in the
 78 use chart as either permitted, accessory or conditional use, unless the administrator determines, by a
 79 written administrative interpretation that may be appealed to the hearing examiner, that an unlisted use
 80 is similar to one that is already enumerated in the use chart and may therefore be allowed, subject to the
 81 requirements associated with that use and all other applicable provisions.

82 (2) The following acronyms apply to the following use chart:

Uses:

PRM = Permitted use

ACC = Accessory use

CUP = Conditional use

Where a cell is empty, the use is prohibited in that zone. All of these assume compliance with any and all development standards.

Districts:

R-1 = Low Density Residential

R-2 = Medium Density Residential

R-3 = High Density Residential

C-D = Downtown Commercial

C-H = Highway Commercial

I = Industrial

I-C = Campus Industrial

P-U = Public Use

Land Uses	R-1	R-2	R-3	C-D	C-H	I	I-C	P-U
RESIDENTIAL USES								
Boarding/Lodging House ³	<u>PRMACC</u>	<u>PRMACC</u>	<u>PRMACC</u>	<u>CUPACC</u> ¹	<u>PRMACC</u> ¹	<u>PRM</u>		
<u>Short-Term Rentals Tier 1 or Tier 2</u>	<u>PRM</u>	<u>PRM</u>	<u>PRM</u>	<u>ACC</u>	<u>ACC</u>			
<u>Short-Term Rentals Tier 3</u>				<u>P</u>	<u>P</u>			
COMMERCIAL USES								
Hotels/Motels/ <u>Lodging Facilities</u>				<u>PRM</u>	<u>PRM</u>	<u>PRM</u>	<u>PRM</u>	

¹ In existing single-family residences only, as of July 1, 2008.

² Indoor facility only.

³ Per CCC 18.88.170 (4) In any district that permits single-family residences, the renting of rooms to not more than two boarders, roomers, or lodgers is permitted as an accessory use.

CHAPTER 11.23 MANSON URBAN GROWTH AREA

Discussion: The cap of 1% and limits on the location and share of short-term rentals in UGAs is found in the new subsection 11.88.280.

11.23.030 DISTRICT USE CHART.

The use chart located on the following pages is made a part of this section. The following acronyms apply to the following use chart. If a cell in the table is blank, the use listed in the left hand column is a prohibited use in the zone that is the heading for that cell.

UR1	Urban Residential-1
UR2	Urban Residential-2
UR3	Urban Residential-3
CT	Tourist Commercial
CD	Downtown Commercial
MLI	Manson Light Industrial
UP	Urban Public

P Permitted use—Subject to development standards in Chapter 11.88 and/or 11.93

A Accessory use—Subject to development standards in Chapter 11.88 and/or 11.93

CUP Conditional use permit—Subject to development standards in Chapter 11.93 and/or within this chapter

Table 9.1 – District Use Chart

USE/ACTIVITY	UR1	UR2	UR3	CT	CD	MLI	UP
<u>Vacation-Short-Term Rentals Tier 1 or Tier 2</u>	P ¹	P ¹	P ¹	A ¹	A ¹		
<u>Short-Term Rentals Tier 3</u>	<u>CUP</u> ¹	<u>CUP</u> ¹	<u>CUP</u> ¹	<u>P</u> ¹	<u>P</u> ¹		

P¹ = Permitted with Standards

¹ Removed prior proposal showing “PRM” in R-1, R-2, and R-3 zones.

11.23.040 STANDARDS.

~~(3) Vacation Short-Term Rentals. See 11.88.280 Short-Term Rentals. Vacation rentals, any unit being rented for less than thirty consecutive days, shall be permitted as identified in Section 11.23.030, District use chart. All vacation rentals shall receive an annual permit from January 1st to December 31st, under Title 14 limited administrative review, documenting conformance and agreement to conform to the following provisions:~~

~~(A) Vacation rentals shall maintain the character of the surrounding neighborhood by:~~

~~(i) Providing year-around solid waste receptacles and pickup service. Trash cans, on the right-of-way, should be removed within twenty-four hours of pickup; and~~

~~(ii) Provide at least one off-street parking space, outside of the required setbacks for each two rented bedrooms. Where off-street parking requirements cannot be met the number of rented bedrooms shall be limited; and~~

~~(iii) Noise emanating from any use shall be in conformance with Chapter 7.35; and~~

~~(iv) Occupancy. The maximum number of occupants permitted to stay overnight shall be two people for each bedroom plus two additional persons, excluding children under the age of six; and~~

~~(v) Placing, adjacent to the front door (outside), a legible sign clearly visible to the general public listing the maximum number of occupants permitted to stay overnight, the maximum number of vehicles allowed to be parked on site, and the name and contact information of the local contact person.~~

~~(B) Vacation rentals shall provide a local contact person (within a forty-mile radius) twenty-four hours a day seven days a week. Contact information shall be provided to the adjacent properties, the Manson community council, District 5 fire chief, and the Chelan County sheriff.~~

~~(C) Enforcement. Any violation of the provisions of this chapter is punishable pursuant to Title 16. Enforcement actions may be brought against the owner of the vacation rental home for the conduct constituting the violation.~~

Short-Term Rental Standards

Section 11.88.280 is all new.

CHAPTER 11.88 SUPPLEMENTARY PROVISIONS AND ACCESSORY USES

11.88.280 Short-Term Rental Regulations

(1) PURPOSE

Based on language in Dan Beardslee's proposal.

(A) The purpose of this section is to establish regulations for the operation of short-term rentals as defined in Chelan County Code (CCC) 14.98.1692, within the unincorporated portions of Chelan County. This chapter also establishes a short-term rental land use permit.

(B) The provisions of this chapter are necessary to promote the public health and safety by protecting year-round residents' enjoyment of their homes and neighborhoods by minimizing the impact of short-term rentals on adjacent residences.

(2) TYPE, NUMBER, AND LOCATION

The 1% cap and associated zone allowances are similar to options described in the Chelan County Short-Term Rental Situation Assessment & Options, March 30, 2020. There is a simpler permit allowance in the use tables because their number and density are limited in (A) and (C) below. Tiers of permits are proposed below based on owner occupancy and guest occupancy. Owner-occupied units would be defined by the owner being on site during guest presence. Chelan County B&B and Guest Inn standards require the property must be the principal residence of the owner/operator which is not defined. If left to common practice it would be where they are registered to vote and pay taxes; it would not limit their ability to rent out for something less than a majority of the year. As an option the County could define what it means to have a "principle residence" such as the owner being present except for no more than 30 days (Bend, OR definition; Walla Walla uses 90 days)

(A) Type.

(i) Tier 1:

Option 1 – Tier 1: Owner-occupied short-term rentals where the dwelling is the principal residence of the owner/operator.

Option 2 – Tier 1: Owner-occupied short-term rentals where either (a) rooms are rented and the owner is personally present at the dwelling during the rental period, or (b) the entire dwelling is rented no more than 30 total days in a calendar year. Portions of calendar days shall be counted as full days.

(ii) Tier 2: Short-term rentals at a dwelling that is not the owner's principal residence or that is rented more than 30 total days in a calendar year.

(iii) Tier 3: Short-term rentals exceeding occupancy limits of 11.88.280(3) or containing group facilities designed to host events such as weddings, gatherings, or retreats.

Regarding number, Option 1 would limit all tiers of permits, while Option 2 would limit Tiers 2 and 3 with the cap but not owner-occupied Tier 1.

(B) Number.

Option 1: All Tiers subject to 1% as well as location restrictions.

(i) The annual number of new short-term rental land use permits issued must be capped to one percent (1%) of the total number of permitted short-term rentals in the county as determined through land use permit procedures in subsection (4) below provided that:

(a) Short-term rentals in the following zones are not subject to the 1% cap: the Rural Recreational/Residential (RRR) zone, or Planned Unit Development Overlay Districts expressly permitting short-term rentals, or Master Planned Resorts Overlay Districts.

(b) The number of short-term rentals subject to the cap and locating in the Leavenworth–Lake Wenatchee Overlay cannot exceed 1% of any subarea within the overlay.

Option 2: All Tiers only allowed in places not subject to location restrictions. Tier 1 not subject to cap. Other Tiers subject to cap.

(i) Tiered Permits and Numbers Allowed.

(a) Tier 1: Short-term rentals are allowed where permitted per subsection (C) and (D).

(b) Tier 2 and Tier 3: The annual number of new short-term rental land use permits issued must be capped to one percent (1%) of the total number of permitted short-term rentals in the county as determined through land use permit procedures in subsection (4) below, provided that:

(1) short-term rentals in the following zones are not subject to the 1% cap: the Rural Recreational/Residential (RRR) zone, or Planned Unit Development Overlay Districts expressly permitting short-term rentals, or Master Planned Resorts Overlay Districts.

(2) The number of short-term rentals subject to the cap and locating in the Leavenworth–Lake Wenatchee Overlay cannot exceed 1% of any subarea within the overlay.

The County has applied city zones in UGAs. If there is no reference to allowable uses in city-assigned UGAs there could be confusion since these city zones do not appear within the County Code. The County would allow short-term rentals if the cities allow them in the subject city zones in the UGA, but the permitting procedures would be those the County adopts. To avoid future nonconformities since cities have different review procedures and operational rules, it may be appropriate to allow existing short-term rentals (see Section (E)(iii)) in the UGAs and avoid adding new ones until such time as they annex or until the County adopts city review procedures where feasible (note: the County does not appear to have the same business license regulatory allowances as cities though land use authority is similar).

(C) Zones Allowed. Short-term rentals must be permitted, accessory permitted, conditionally permitted, or prohibited pursuant to:

(i) Section 11.04.020 applicable to all Rural and Resource Designations, except as limited in Subsection (2)(D) Leavenworth–Lake Wenatchee Overlay, and in Subsection (2)(E) Density Limits.

(ii) Section 11.22.030 applicable to the Peshastin Urban Growth Area, except as limited in Subsection (2)(E) Density Limits.

(iii) Section 11.23.030 applicable to the Manson Urban Growth Area, except as limited in Subsection (2)(E) Density Limits.

(iv) In city-assigned Urban Growth Areas, pursuant to a city's land use regulations, development standards, and land use designations, where the County has adopted such pursuant to the County-City Memorandum of Understanding filed with the Chelan County Auditor July 8, 1997; provided that, the County's review procedures in this subsection 11.88.280 must control.

Discussion: Census Tract 9602 is similar in size and boundary as the corresponding zip code. Data about housing and population is produced by federal agencies by census tract as well as by the State Office of Financial Management (OFM). The State OFM also produces data by zip code though federal census data would not be available. Tracking permit applications by zip code could make it simpler to enforce the locational allowances. Another option would be to use finer-grained HUC-12 boundaries, used in watershed planning; however, it would be more difficult to track population and housing information by them. It would allow a more targeted planning boundary to be created. We recommend the Zip Code boundary for the greatest ease of code and permit implementation while still having state population and housing information tracked. To recognize the Planning Commission request to apply the cap to subareas as well as Countywide, a map has been developed and it identifies Leavenworth, Plain, and Lake Wenatchee based on compilations of HUC boundaries. Due to the direction to limit densities in areas with more than 5% short-term rentals (focusing on whole house rentals), the zip codes for Manson and Peshastin are added as overlays.

(D) Overlays Established. The following overlays are areas within which density limits are applied and are hereby established as:

(i) Leavenworth–Lake Wenatchee Overlay: An overlay district co-terminus with Zip Code 98826 [See Attachment A] encompassing Leavenworth–Lake Wenatchee. It is further subdivided into three sub-areas for Lake Wenatchee, Plain, and Leavenworth areas. [See Attachment B.]

(ii) Manson Region Overlay: An overlay district including Zip Code 98831, excluding the Manson Urban Growth Area.

(iii) Peshastin Region Overlay: An overlay district including Zip Code 98847, excluding the Peshastin Urban Growth Area.

Density limits are meant to reduce the share of short-term rentals over time in impacted locations to address community compatibility and housing affordability. In city-assigned UGAs density limits are meant to minimize nonconformities with city regulations particularly where there are city licensing requirements. Recognizing there are likely to be reductions in short-term rentals over time if the percentage share is reduced to a level that appears to have less impact on housing supply the County could begin allowing them again; for example, after three years when the County has determined the 1% cap annually and licensed existing and new ones it may have data supporting the timing of re-opening these areas. The percent share of short-term rentals is 5% of the total housing stock which was a recommendation in a study of Oregon jurisdictions² that found that where short-term rental growth and household formation is increasing at a faster rate than total housing unit growth there can be a constraint on housing affordability. The rate of short-term rental growth has been occurring faster than new home construction in the Leavenworth Zip Code within unincorporated areas. The Zip Codes with greater than 10% share of short-term rentals compared to total dwellings within unincorporated areas include Leavenworth (12.3%) and Manson (11.2%). Peshastin Zip Code is at 5.5%. Chelan is 1.8% and others are less than 1%. These percentages are based on whole house rentals as shown in the Situation Assessment from March 30, 2020. The number of units where only a room is offered is less than 100. The true number of owner-occupied units is not fully known given the detail of data available at this time.

² See copy of study hosted by the City of Olympia's website: <https://engage.olympiawa.gov/4076/documents/5992>.

(E) Density Limits.

(i) The number of short-term rentals established in (2)(B) may locate in the zones where allowed in (2)(C), except that no new Tier 2 and Tier 3 short-term rentals are permitted in the following locations:

(a) Leavenworth–Lake Wenatchee Overlay

(b) Manson Region Overlay

(c) Peshastin Region Overlay

(c) Residential zones in the Manson Urban Growth Area

(d) Residential zones in the UGAs assigned to the cities of Chelan, Entiat, Leavenworth, or Wenatchee

(ii) Exceptions to Density Limits:

(a) Where such units are consistent with this section, density limits do not apply short-term rentals in the Rural Recreational/Residential (RRR) zone, or Planned Unit Development Overlay Districts expressly permitting short-term rentals, or Master Planned Resorts Overlay Districts.

(b) New short-term rentals may be established in the locations cited in subsection (2)(E)(i) if the combined percentage of Tier 2 and Tier 3 short-term rentals as a share of total dwelling units is less than five percent (5%) and the applications meet all requirements of this section 11.88.280 as determined by the Director.³ Total dwelling units must be determined based on the latest annual count of total housing units by the State of Washington Office of Financial Management. Short-term rental percentages must be determined at the time the number of allowed short-term rentals is determined per subsections (2)(B) and (3) of this section.

Based on the Planning Commission discussion of code options on 5/13 and 5/27 this section contains a means of establishing a STR was existing as of the time the code passage and largely compliant with the rules. Planning Commissioner Blum also suggested criteria “f” regarding Manson registration given its established process. This section has been clarified in response to public comments to indicate these criteria more clearly must be met by both short-term rentals that are in allowable zones and existing ones that are in zones restricting them but otherwise meeting operational requirements. The difference is that non-conforming STRs (in zones with no similar uses) are proposed to have a sunset clause.

(iii) Existing Short-Term Rentals: A use shall not be considered lawfully established and existing as of the effective date of this ordinance unless the owner proves all of the following:

(a) That similar uses were allowed in the subject zones at the time the short-term rental was established, including but not limited to: bed and breakfast, guest inn, boarding house, lodging facility, hotel/motel, or other transient accommodation; and

³ Per 14.98.580 Director. “Director” means the director of the Chelan County department of community development or designee. This term is synonymous with administrator.

(b) That a location was used for short-term rental purposes during January 1, 2019 to XXX [effective date]. The Director may permit homes with approved building permits after January 2019, constructed within six months of the effective date of this ordinance to be considered as an existing short-term rental; and

Note: The Planning Commission discussed the focus being on applicable sales and hotel/motel taxes. Lesser known is a requirement for a business to pay County Business Personal Tax. Since that is lesser known the text is showing sales tax and hotel/motel taxes as a minimum.

(c) That all applicable state and local taxes were fully and timely paid for all short-term rental use that occurred prior to XXX [effective date], which at a minimum includes sales tax and hotel/motel taxes; and

(d) That the short-term rental meets all requirements of subsection (3); and

(e) That the short-term rental operator has obtained the required land use permits in subsection (4); and

Added (f) given Manson UGA has had a vacation rental permit.

(f) If located inside of the Manson Urban Growth Area, documentary evidence that the short-term rental was properly registered as a vacation rental with Chelan County per 11.23.040 as of XXX [effective date].

The Planning Commission has discussed that non-conforming short-term rental units that are not allowed in an area be given a sunset clause like Newport Oregon (5 years). An example in Ventura, CA illustrated 2 years, which is shown below.

(iv) Nonconforming Short-Term Rental Units in Restricted Zones: Where a zone does not allow short-term rental units as of XXX [effective date] according to CCC Sections 11.04.020, 11.22.030, or 11.23.030, only those short-term rentals that exist as of XXX [effective date] and are compliant with criteria in subsection (iii) above, will be allowed as nonconforming uses. Such uses may not be significantly changed, altered, extended, or enlarged and must cease after two years from XXX [effective date]. After expiration or revocation of the permit authorizing a legal nonconforming short-term rental, no operator shall operate a short-term rental.

(3) SHORT-TERM RENTAL STANDARDS

(A) Primary or Accessory Residence. Short-term rentals must be operated out of an owner's main house or a legally established accessory dwelling unit. In no case, shall an owner or operator make available a recreational vehicle, tent, or other temporary or mobile unit for short-term rental.

Per Planning Commission discussion on 5/13, a provision to allow a CUP for a larger short-term rental is included.

(B) Occupancy.

(i) Overnight Occupancy. The owner or operator must limit overnight occupancy to no more than two guests per bedroom, not to exceed a total of 10 guests including children.

Occupancy limits must comply with the International Residential Code. Advertisement of bedrooms is proof of the number of bedrooms.

(ii) Daytime Occupancy. At no time shall the total number of persons at a short-term rental exceed 10 persons, including children.⁴

(iii) Exceeding Nighttime or Daytime Occupancy. In order to exceed daytime or nighttime occupancy limits an operator must obtain a Conditional Use Permit provided that the zone allows short-term rentals as an accessory, permitted, or conditionally permitted use and meets all other short-term rental requirements of this section.

Parking options provided to address Planning Commission discussion on 5/27; matches Bed and Breakfast parking standard.

(C) Parking.

(i) One off-street patron parking space in addition to the residential parking requirements, not located within a setback, shall be provided for each bedroom.

(ii) The number of vehicles allowed at the short-term rental must be limited to the number of bedrooms plus one; this requirement must be included in the Property Management Plan per Section (2)(K).

Based on Planning Commission input at the 5/13 meeting, recycling availability is clarified.

(D) Garbage. Trash containers must be provided. Trash must be in proper containers on collection day. Where curbside recycling is available to the unit receptacles must be provided. Receptacles must be set out on the right-of-way and removed within twenty-four hours of pickup. Trash must be managed in compliance with CCC Chapter 4.04 Garbage. This requirement must be included in the Property Management Plan per Section (3)(K) and good neighbor guidelines per subsection (3)(M).

(E) Noise. Short-term rentals must be operated in compliance with Chapter 7.35 Noise Control. This requirement must be included in the Property Management Plan per Section (3)(K).

(F) Trespass. Owners or operators must provide rules in rental contracts restricting occupants from trespassing on neighboring private property and identify proper routes to public places such as easements to shorelines. Such trespass rules must be included in the property management plan in (3)(K) and good neighbor guidelines per subsection (3)(M).

(G) Signs. All owners or operators must display the address of the residence so that it is clearly visible from the street or access road. The rental must have a sign or other identifier on outside as short-term rental. The sign must be made of natural materials not exceeding two square feet in area and if illuminated, must be indirectly illuminated.

(H) Consumer Safety. All Consumer Safety requirements of RCW 64.37.030 must be met by the owner or operator. Violations are subject to Title 16. Requirements must be included in the property management plan in (3)(K).

⁴ Discussions with staff have indicated 10 has been considered recently, the same as the overnight occupancy. Other examples: [Ventura County, CA](#) allows a total of the maximum overnight occupancy plus 6 additional persons; twice the night-time limit. [Forsyth County, GA](#), allows 4 plus total overnight guests excluding children.

356 *The Planning Commission discussed whether a burn ban notification is necessary since guests should have to know the*
357 *local rules when they travel. We moved the discussion into the property management plan.*

358 (I) Fire Safety and Outdoor Burning. Each owner or operator must include a fire protection plan in
359 their property management plan in subsection (3)(K) to alert renters to respect firewise efforts on
360 a property, or to comply with travel or activity restrictions of CCC Chapter 7.52, Fire Hazard
361 Areas. This includes, but is not limited to, restricting use of outdoor fire places or grills and to
362 properly secure and restrict portable barbeques.

363 *The time requirement for the qualified person to respond was 30 minutes; a Planning Commissioner suggested 60*
364 *minutes.*

365 (J) Qualified Person.

366 (i) The owner or operator must provide the name, telephone number, address, and email
367 of a qualified person (which can be a person or company) who can be contacted
368 concerning use of the property and/or complaints and can respond to the property within
369 60 minutes to complaints related to the short-term rental consistent with the requirements
370 of this section. The owner or operator must provide a valid telephone number where
371 qualified person can be reached 24 hours per day, every day.

372 (ii) The owner or operator must post a sign of similar materials and dimension as
373 subsection (3)(G) with the contact information of the qualified person. If the permanent
374 contact information changes during the permit period, the new information must be
375 changed on the sign. Renewal applications must provide evidence of the sign. The Director
376 may allow annual mailings to neighboring properties and an interior posted notice for
377 tenants in lieu of an exterior sign where a property's size and visibility make an exterior
378 sign ineffective. The purpose of this sign is so that adjacent property owners and residents
379 can contact a qualified person to report and request resolution of problems associated
380 with the operation of the short-term rental.

381 *Addresses Planning Commission discussion of COVID-19 pandemic response. This appears to be a protocol AirBNB is*
382 *making optional during the crisis but is part of unit advertising. The property management plan requires notice to*
383 *property owners within 300 feet, a more conservative distance than 200 feet discussed by the Planning Commission.*

384 (K) Property Management Plan. Vacation rentals must maintain an up-to-date property
385 management plan on file with the Chelan County Community Development Department and
386 property owners within 300 feet of the building within which the short-term rental is located. The
387 property management plan must include the following:

388 (i) Provide a floor plan and site map clearly depicting the property boundaries of the
389 short-term rental, and the escape route in case of an emergency. The map must indicate if
390 there is an easement that provides access to the shoreline; if so, the boundaries of the
391 easement must be clearly defined. If there is no access, this must be indicated together
392 with a warning not to trespass;

393 (ii) Provide the unified business identifier number, and the names and addresses of the
394 property owner;

(iii) Designate a qualified person and provide contact information consistent with (3)(i) ;
and

(iv) Provide information required for Consumer Safety per (3)(H) and RCW 64.37.030
and fire protection plan per (3)(I).

(v) All units must have an operable landline telephone installed to aid in emergency
response, and the dwelling recorded in “Rivercom” data base.

(vi) The plan must identify the method by which the owner/operator will notify renters of
emergency or temporary conditions such as burn bans.

(vii) The owner or operator must provide unit cleaning protocols that include 24-hour
vacancies between bookings to ensure adequate unit cleaning.

(L) Annual Permit Number. The owner or operator must include the Chelan County land use permit
number for the short-term rental in all advertisements (AirBnB, VRBO, Craigslist, poster, etc.) and
marketing materials such as brochures and websites.

(M) Good Neighbor Guidelines. Owners and operators must acknowledge receipt and review of
a copy of the good neighbor guidelines. Owners and operators must provide evidence that the
good neighbor guidelines have been effectively relayed to short-term rental tenants, by
incorporating it into the property management plan, and rental contract, posting it online,
providing it in a conspicuous place in the dwelling unit, or a similar method.⁵

(N) Liability Insurance. A short-term rental owner or operator must maintain primary liability
insurance consistent with RCW 64.37.050.

(O) Taxes. The owner or operator must be in compliance with CCC Chapter 6.30 Lodging Tax,
and other local sales taxes and state hotel/motel and sales taxes in accordance with the
Department of Revenue.

(4) LAND USE PERMITS

*Per the draft code, the County would require annual renewal of existing units in one period (e.g. September-October).
The Community Development Department would have about 90 calendar days [~60 workdays] to permit the compliant
applications (November-January). The Director would report on the new baseline short-term rentals, to establish the
maximum number of new short-term rentals by February 1 of the following year. New short-term rentals could apply
within a subsequent two month window (e.g. February-March).*

*If the county finds that the fire and health district do not have sufficient resources to provide inspections within the first
permit window, the County could provisionally approve initial short-term rental applications without inspection provided
the inspections occur prior to the first renewal and provided there are signed-self-certification forms. This was allowed
by the City of Chelan in its short-term rental code. Alternatively a different first-year window could be provided.*

⁵ See Bend, Oregon example: See example on page 21 of City of Chelan Ordinance:

<https://cityofchelan.us/pdfdocs/2019/12/Ord2019-1570-Short-Term-Rental-Regulations-with-Exhibits.pdf>. Similar to
example on page 21 of City of Chelan Ordinance: <https://cityofchelan.us/pdfdocs/2019/12/Ord2019-1570-Short-Term-Rental-Regulations-with-Exhibits.pdf>.

(A) Land Use Permit Required. No short-term rental owner or operator may advertise, offer, operate, rent, or otherwise make available or allow any other person to make available for occupancy or use a short-term rental without a valid short-term rental land use permit issued by the Director.

(B) Annual Renewal. Annual renewal of the short-term rental land use permit is required.

(C) Permit Applications. Short-term Rental owners must apply for a land use permit to establish compliance with this code.

(D) Application Acceptance.

(i) From September 1 to October 31 each year, existing short-term rental owners must submit a Short-Term Rental Land Use Application. By February 1 of each following year the Director must report the baseline number of authorized existing short-term rentals and identify the number of new short-term rentals allowed pursuant to subsection (2)(B). From February 15 to March 15, the Director must accept new applications for short-term rentals. Compliant permits will be entered into a lottery by June 1. The lottery must be conducted at a public meeting after the publishing of a legal notice a minimum of 10 days prior to the lottery. The number of issued permits selected by lottery will not exceed the number allowed per the applicable cap in subsection (2)(B). Selected permits remain valid until such time as an annual renewal is required.

(ii) Within the first year of adoption of this code (effective date XXX, 2020), the Director may provisionally approve initial short-term rental land use permits subject to the owner completing a self-certification form provided that inspections in subsection (4)(H) are accomplished prior to the first renewal thereafter.

Term and applicant information is based on language in Dan Beardslee proposal. Nonuse is based on City of Chelan regulations.

(E) Term. A short-term rental land use permit must be issued for a period of one year, with its effective date running from the date the application is due as set forth in subsection (4)(D) above. and must be renewed annually by the owner or operator provided all applicable standards of this section are met.

(F) Forms and Procedures. Applications for short-term rental land use permits must be on forms provided by the County, demonstrating the application meets the standards required by this section. Permit review procedures must be consistent with Title 14.

(G) Nonuse. All short-term rentals must operate under a current short-term rental land use permit regardless of nonuse. If a property has not been rented in a twelve-month period, renewal of short-term rental land use permit must still be met to maintain the validity of the permit.

(H) Fire, safety, health and building compliance.

(i) Fire and Emergency Safety. Prior to approving the initial short-term rental permit, the applicable fire district or fire marshal must perform a life-safety inspection, except as provided under subsections (H)(iii) and (H)(iv).

(ii) Water and Wastewater. The Chelan-Douglas Health District must inspect the short-term rental to ensure that there is a verifiable legal source of water that meets applicable

standards, and an approved on-site sewage disposal system, except as provided under subsections (H)(iii) and (H)(iv).

(iii) The Director may waive inspections under subsections (H)(i) and (H)(ii) associated with the initial short-term rental permit if the owner provides a notarized affidavit from the applicable fire district or fire marshal or Chelan-Douglas Health District that the short-term rental is in compliance with applicable requirements in subsections (H)(i) and (H)(ii).

(iv) The County building official must review each initial short-term rental application to ensure occupancy and other applicable building code requirements are met.

(v) After the unit is approved for rental, a completed self-certification checklist for health and safety is required to be submitted by the owner with each annual short-term land use permit renewal consistent with forms provided by the Director.

(vi) Owner Responsibility. It is the owner's responsibility to assure that the short-term rental is and remains in substantial compliance with all applicable codes regarding fire, building and safety, health and safety, and other relevant laws.

Planning Commissioners had different opinions on allowing a transfer of ownership one time or not. Both options are presented.

Option 1 – no transfer

(I) The short-term rental land use permit must be issued in the name of the owner and is non-transferable.

Option 2 – one-time transfer

The short-term rental land use permit must be issued in the name of the owner. Only one transfer of ownership is allowed to a person or corporation. At the time of the only transfer, all permits shall include the following provision: "This permit shall automatically expire upon sale or transfer of the property whichever comes first." After a single transfer, the short-term rental permit is no longer valid after the land use permit expiration date. The operator must obtain a new short-term rental permit compliant with this section following expiration or cease operation. New owners must certify compliance with the conditions of permit approval within 90 days after the closing date of the sale of the property. Written certification must be submitted to the Community Development Department on forms specified by the Director. New owners must apply for a new permit by the annual deadline.

(J) Approval Criteria. To receive approval or renewal, an owner or operator must demonstrate to the satisfaction of the Director that all approval criteria listed below have been satisfied:

(i) The short-term rental is located in a base or overlay zone that allows its use pursuant to this section.

(ii) The short-term rental is consistent with density limitations of this section.

(iii) The short-term rental is consistent with short-term rental standards of this section.

(iv) The short-term rental is consistent with all applicable health and safety requirements of this section.

505 (v) The short-term rental is not the subject of outstanding code violations per Title 16.

506 *The Planning Commission requested an appeal – that is in the draft code already by a cross reference to Title 14.*

507 (K) Appeals of the denial or conditions of short-term rental land use permits or annual renewals
508 must be filed in compliance with Title 14 CCC.

509 (5) ENFORCEMENT

510 (A) Within Chelan County jurisdiction, a short-term rental must not operate without an approved and valid
511 Short-Term Rental Permit. Evidence of operation includes advertising, online calendars showing
512 availability, guest testimony, online reviews, rental agreements, or receipts.

513 (B) Enforcement of this section will be in accordance with Title 16 CCC.

514 **Chapter 3.24 Community Development Department Fees**

515 *Currently, vacation (short-term) rentals in Manson require a land use permit fee of \$500. This accounts for Community
516 Development Department and other departmental review time.*

517 *The initial permit fee contemplated in the draft code should cover:*

- 518 • *Community Development Department fees would primarily involve staff review and permit decision: \$75/hour,
519 with a likely time commitment of review and coordination of 3 to 4 hours, or \$225 to \$300. Building official
520 review could include a similar hourly charge of \$75 with a building site visit of \$55 (if not involving
521 construction).*
- 522 • *Fire Marshall Inspections range in cost from \$25 to \$100 depending on size of home and a land use review is
523 \$20.*
- 524 • *Health District fees vary with common fees including:*
- 525 • *Land Use Review (per hour) \$91*
- 526 • *Record Report, water, per hour: \$91*
- 527 • *OSS Reinspection \$156*

528 *Altogether, the fees could range from \$550 to \$900 depending on the size of the short-term rental and time for
529 health department and fire inspection. A recently built unit may not need a new inspection.*

530 **Fee Range for Initial Short-Term Rental Permits – 2020**

Activity	Low	High
Planner Review (3-4 hours)	\$225	\$300
Building Official Review/Visit	\$130	\$130
Fire Marshall Visit and Land Use Application Review	\$45	\$100
Health Department Reviews/Inspections (to be confirmed)	\$156	\$338
Total	\$556	\$868

531 *Inspections would not be needed for annual renewals. Only planner review time would be needed. Given self-*
532 *certification, the process should be simple and could require as little as 2 hours or \$150.*

533 *The approach below incentivizes Tier 1 permits (recognizes that rental of only a portion of a unit while owner is living*
534 *onsite should be a lesser concern with regard to operational requirements and review).*

535 3.24.010 FEE SCHEDULE.

536 (a) Planning.

Application Type	Fee
Conditional use permit	\$1,520
<u>Short-term rental (Tier 1, first permit)</u>	<u>\$500</u>
Short-term rental (<u>Tier 2, inspection not required, annual first permit</u>)	\$500
<u>Short-term rental (Tier 2, inspection required first permit)</u>	<u>\$900</u>
<u>Short-term rental (Tier 3 first permit)</u>	<u>\$1,520</u>
<u>Short-term rental (Tier 1 annual renewal)</u>	<u>\$75</u>
<u>Short-term rental (Tier 2 annual renewal)</u>	<u>\$150</u>
<u>Short-term rental (Tier 3 annual renewal)</u>	<u>\$225</u>

537 Definitions

538 14.98 DEFINITIONS

539 *“Vacation Rental” is used in Manson UGA code and is defined as “any unit being rented for less than thirty consecutive*
540 *days.” “Short-term rental” in RCW 64.37 excludes short-term rentals of less than three bedrooms or where the*
541 *operator occupies the unit for at least six months. The City of Chelan definition is similar but more detailed than the*
542 *Manson UGA definition, more inclusive than the state definition, and more similar to the discussion of the Board of*
543 *County Commissioners and public to date. A blend of the Chelan and State definition is proposed.*

544 *Note: Consultants and County staff are reviewing definitions for other types of accommodations like bed and*
545 *breakfasts, temporary dwellings, etc. to ensure ease of implementation and consistency with the Building Code.*

546 14.98.1692 Short-Term Rental

547 “Short-Term Rental” means a dwelling unit, or portion thereof, that is offered or provided to a guest by a
548 short-term rental owner or operator for a fee for fewer than thirty consecutive nights. They are commonly
549 referred to as vacation rentals. They are a form of tourist or transient accommodations. Short-term rental
550 units may be whole house rentals, apartments, condominiums, or individual rooms in homes. For the
551 purpose of administration and enforcement of this title, the terms “overnight rental,” “nightly rental,” and
552 “vacation rental” are interchangeable with short-term rentals. Subleasing or subletting of units for short-
553 term rental is prohibited if the underlying zone prohibits such use.

554 *The following definition is based on definitions in RCW 64.37, and in some cases the Chelan Municipal Code. It also*
555 *addresses “or corporation” since some are owned by corporate entities.*

556 14.98.1693 Short-Term Rental Operator

557 "Short-term rental operator" means any person or corporation who receives payment for owning or
558 operating a dwelling unit, or portion thereof, as a short-term rental unit, or their authorized agent
559 including a property management company or other entity or person who has been designated by the
560 owner, in writing, to act on their behalf.

561 *The following definition is based on definitions in RCW 64.37.*

562 14.98.1694 Short-Term Rental Owner

563 "Owner" means any person who, alone or with others, has title or interest in any building, property,
564 dwelling unit, or portion thereof, with or without accompanying actual possession thereof, and including
565 any person who as agent, executor, administrator, trustee, or guardian of an estate has charge, care, or
566 control of any building, dwelling unit, or portion thereof. A person whose sole interest in any building,
567 dwelling unit, or portion thereof is solely that of a lessee under a lease agreement is not considered an
568 owner.

569 16.20. SHORT-TERM RENTAL ENFORCEMENT AND VIOLATIONS

570 *Except for violations of RCW 64.37.030 Consumer Safety, which appears to have a specific process and fine to be*
571 *issued by a county or city attorney, the code compliance process and civil penalties are consistent with Chelan County*
572 *Code Title 16. It does not appear that RCW 64.37 limits a county’s authority to apply its own code compliance*
573 *process when reviewing RCW 7.80.010 since it allows a county or city to hear and determine civil infractions*
574 *according to its own system established by ordinance. Per the discussion by the BOCC on March 31, 2020, on-site*
575 *citations are allowed. Revocation is similar to the City of Chelan code, except it includes “three strikes” per the BOCC*
576 *member code options dated January 27, 2020. Note this section is still pending review by the Prosecuting Attorney’s*
577 *office.*

578 16.20.010 Compliance

579 Short-term rental owner’s or operator’s must comply with short-term rental regulations in Titles 11 and 14
580 CCC. Violations and enforcement must be in accord with Title 16 CCC.

581 16.20.020 Enforcement Procedures, Notices, and Citations

582 (1) Enforcement Procedures. Except as specified in this Chapter 16.20, all enforcement procedures of
583 Title 16 apply to short-term rental owner’s or operator’s.

584 (2) Notice of Violation for Consumer Safety by County Attorney. If an owner or operator is suspected of
585 violating Consumer Safety requirements of RCW 64.37.030, the County Attorney must issue a warning
586 letter to the owner or operator for the first violation. Other procedures or requirements with regard to
587 the warning letter must be consistent with Title 16. For any repeated violations, the County will employ its
588 standard code compliance process consistent with Title 16.

(3) Citations must be issued consistent with Chapter 16.08, provided that citations may be issued on-site at the discretion of the code compliance officer if a violation of Short-Term regulations in Titles 11 and 14 CCC occurs. Alternatively, the citation may be accomplished in another manner consistent with Title 16.

16.20.030 Civil Penalties

(1) Civil penalties must be consistent with Title 16 including Chapter 16.16. except as identified in (2) below.

(2) The first violation of Consumer Safety requirements of RCW 64.37.030 is a class 2 civil infraction under chapter [7.80](#) RCW with a fine of one hundred twenty-five dollars (\$125). The fine for repeated violations must be consistent with CCC 16.16.010 Assessment Schedule.

16.20.030 Revocation

(1) Repeated failure of the owner or operator to timely and reasonably respond to a complaint(s) relayed by code compliance officers are grounds for civil fines, revocation, or other penalties consistent with Title 16.

(2) The following conditions may result in revocation of land use permits granted under short-term rental regulations in Titles 11 and 14 CCC:

(A) Failure to renew a short-term rental land use permit pursuant to CCC 11.88.280 short-term rental regulations and Title 14 is grounds for immediate revocation of the permit.

(B) Failure to meet the criteria of CCC 11.88.280 Short-Term Rental Regulations is grounds for immediate revocation of the short-term rental land use permit.

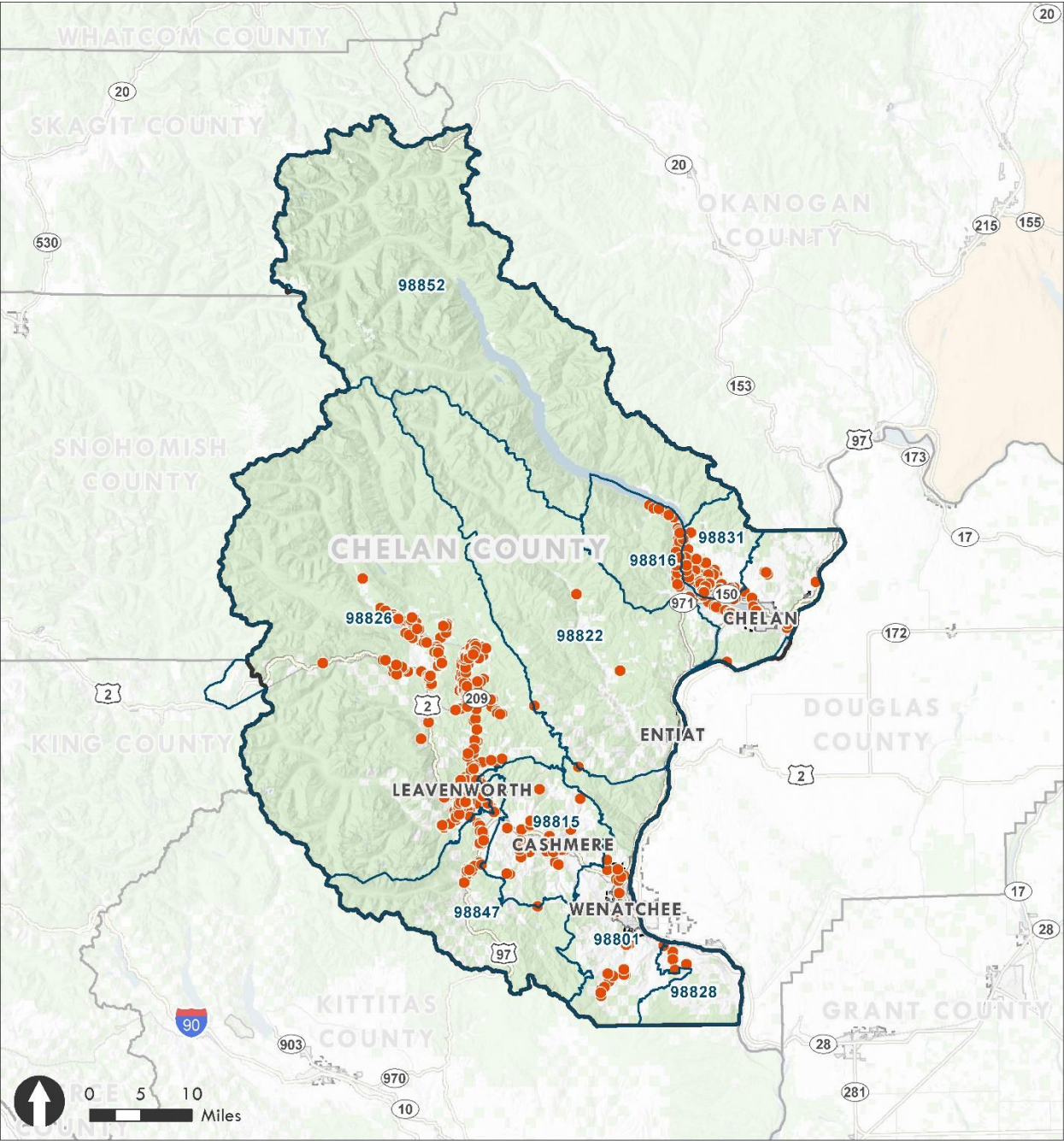
(C) The discovery of material misstatements or providing of false information in the short-term rental land use permit application or renewal process is grounds for immediate revocation of the permit.

(D) Such other violations of Titles 11, 14, and 16 of sufficient severity in the reasonable judgment of the Administrator,⁶ so as to provide reasonable grounds for immediate revocation of the land use permit.

(E) If three violations are verified under subsection (D) at any time during a twelve-month period, the penalty shall be revocation in addition to any required civil penalties under 16.20.030.

⁶ In Title 16, reference is made to "Administrator" whereas in Title 11 reference is made to "Director". Both have a similar meaning in Title 14 definitions.

Attachment A: Countywide Zip Code Map



LEGEND

- Short-term Rentals (est. 1,200 active)
- ZIP Code Boundaries



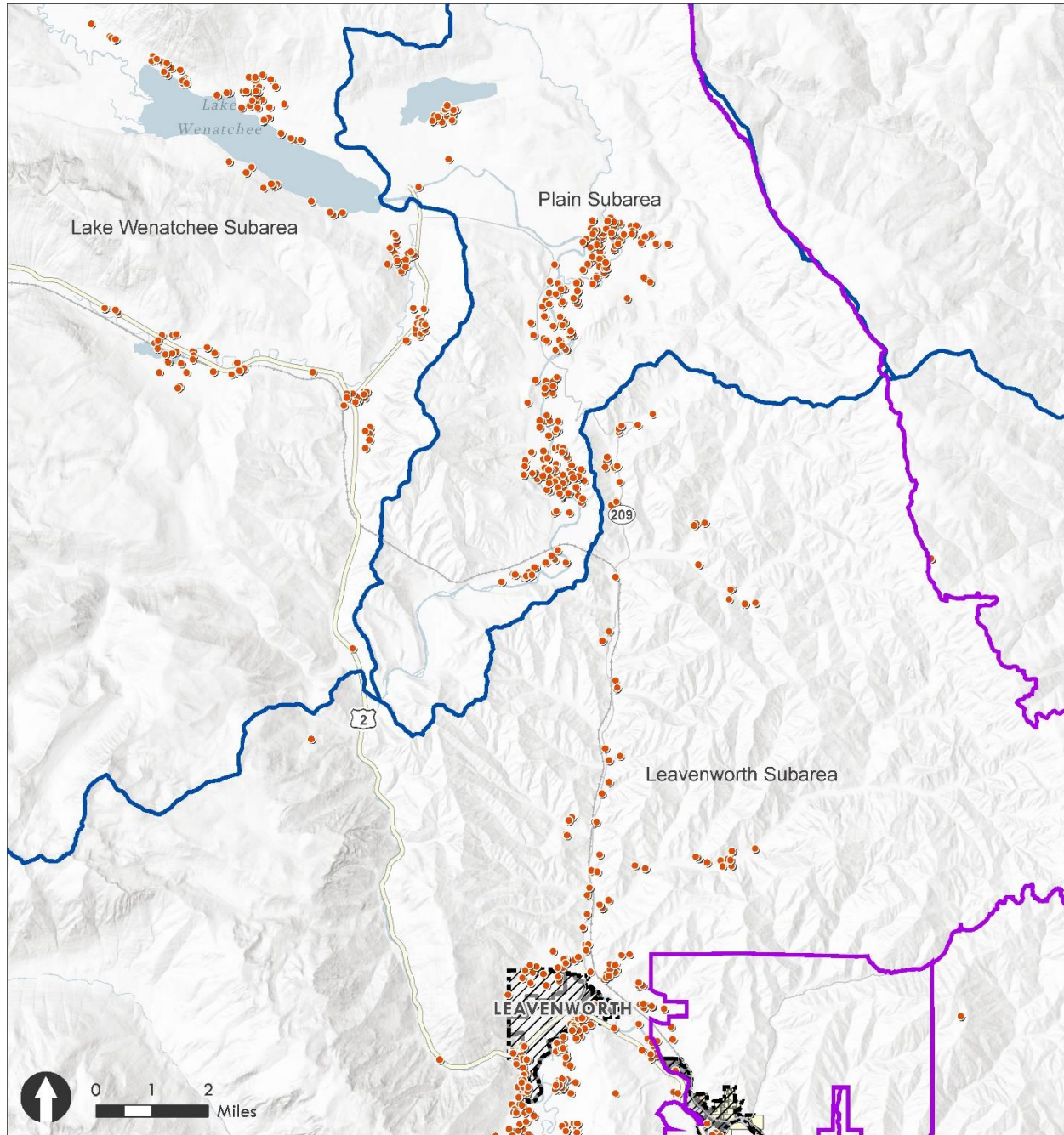
Source: AirDNA, 2020.
Data notes: This data tracks individual short-term rental property level from AirBNB and HomeAway. The location data on individual properties is within 500 meters of accuracy. It shows only properties that are assumed to be in unincorporated areas and are listed as an entire home/apartment.

Source: Chelan County GIS, AirDNA, BERK 2020

620

Attachment B: Leavenworth-Lake Wenatchee Subareas

621



LEGEND

- Urban Growth Areas
- Short-term Rental
- STR (on tribal land)
- Preliminary Boundaries
- ZIP Code Areas



Source: AirDNA, 2020.
Data notes: This data tracks individual short-term rental property level from AirBNB and HomeAway. The location data on individual properties is within 500 meters of accuracy. It shows only properties that are assumed to be in unincorporated areas and are listed as an entire home/apartment.

622

Source: Chelan County GIS, AirDNA, BERK 2020