



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

Meeting Agenda

Wednesday, July 9th at 7:00 P.M.

Meeting Continued from June 24, 2020

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 July 9, 2020.

To Join Zoom Meeting go to:

<https://us02web.zoom.us/j/82281759578>

Call Meeting to Order

I. Administrative

A. Review/Approval of Minutes from June 24, 2020

II. Current Business – Special Meeting

Continued Public Meeting for the Code Development of Short-term Rentals – Deliberation and Decision.

Public comment period closed as of June 19, 2020 at 5:00 PM.

III. Discussion, at the Chair's discretion

IV. Adjournment

Materials available on the Community Development website

Next Meeting Regular Meeting Date: July 22, 2020



CHELAN COUNTY PLANNING COMMISSION MINUTES

Chelan County Planning Commission
Chelan County Community Development VIA ZOOM

Date: June 24, 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	Present
Jordan McDevitt	Present	Pat Hammersmith	Present
James Wiggs	Present		

STAFF PRESENT

Jim Brown, Director
Deanna Walter, Interim Assistant Director
RJ Lott, Planner II
Lynn Machado, Administrative Supervisor
Wendy Lane, Permit Clerk
Lisa Ogle, Permit Clerk

PUBLIC PRESENT

ZOOM MEETING – 98 PARTICIPANTS INCLUDING STAFF AND PC MEMBERS

BUSINESS:

Chairman Ryan Kelso asked the Planning Commission members if all had read the minutes from the June 3, 2020, meeting and the June 17, 2020, meeting.

MOTION:

Motion made by Commissioner Jordan McDevitt, second by Commissioner Randy Baldwin to approve the minutes from the June 3, 2020 meeting.

Discussion:

Commissioner Greg Becker stated he would like his comments related to the mission statement included in the minutes as it relates to the mission statement from BoCC. To include the slowing of the proliferation of STRs, protect the character of the residential community neighborhood and density limit standards.

“All we’ve done so far is grandfather in all existing STRS, allow transfer of the permit with 3 year sunset, treating owner occupied and non-owner occupied the same with no preference for owner occupied, providing no relief to full time residents/homeowners, and relying on Darwin’s theory of natural selection, “survival of the fittest,” because we are not phasing out any STRs in residential neighborhoods, which we could through the last in-first out method, no complaint procedure/hotline for benefit of exiting residences/homeowners, no limit to the number of units owned by an individual or LLC, no capping of nights rented, no minimum separation between STRs by area or block no attempt to address escalating home values created by STRS, shortage of long term rentals and affordable housing, no waiting time between completion of new construction and initiation of STRs. We’ve shown a tremendous amount of concern for people with STRs, but we could be accused of being remiss for the concern for the people in the single family residences nearby, my comment is...is their investment not exactly the same as those with the STRs? I think we have not sufficiently addressed the concerns of the homeowners.”

MOTION:

An amended motion was made to amend the minutes to include Commissioner Greg Becker’s comments, with understanding, that by including them in the comments, not everyone agrees with them.

Motion made by Commissioner Jordan McDevitt, second by Commissioner Randy Baldwin to approve the amended minutes from the June 3, 2020 meeting.

Vote – Unanimous

MOTION:

Motion made by Commissioner Jordan McDevitt, second by Commissioner Greg Becker to approve the minutes from the June 17, 2020 meeting.

No discussion

Vote – Unanimous

PUBLIC COMMENT PERIOD FOR ITEMS NOT ON THE AGENDA

No Comments

OLD BUSINESS:

Continued Public Hearing for the Code Development of Short-term Vacation Rentals – Deliberation and Decision.

Richmond Petty, Chelan Douglas Health District, On-Site Program Manager, joined the meeting to answer questions and concerns from the Planning Commissioners.

Commissioner Carl Blum stated that the CDHD are mentioned quite often in regards to onsite sewage and onsite wells. He wanted to know if they are able to follow the guidance in the code and how would they interface with that code. He also asked if they are expected to sign off on STR septic systems. Richmond Petty answered that when people are applying for permits, they are not specifying the use as an STR. There is a disconnect because a 4 bedroom house is a specific size, but if they are using it as a rental for 25 people, there may be an issue.

Commissioner Carl Blum then asked if the new proposed regulations would require the CDHD to sign off on, and be aware of the use as a STR. Richmond Petty asked if this would include existing homes. Commissioner Carl Blum answered, yes,

Commissioner Greg Becker asked if a STR has a hot tub or pool, are there requirements for the owners of the facility for sanitation. He wanted to know if there were minimum standards if the pool or hot tub will be used by the paying guests. Richmond Petty answered that they can't drain a pool or hot tub into a septic system. He has already talked to the state because these pools are really not regulated. Commissioner Greg Becker asked if there should be a minimum standard of maintenance for these rental units and Richmond Petty agreed stating that the CDHD inspects the hotel pools so that would make sense.

Commissioner Greg Becker continued by asking if the CDHD could recommend a system and standards that would be a requirement placed on the owner. Richmond Petty answered that he was not sure if it would be a permit, or just standards. Commissioner Greg Becker asked if hotels are required to supply a history of maintenance. Richmond Petty answered yes they must supply weekly logs for chlorine and alkalinity

Commissioner Vicki Malloy stated that we want to keep this simple. This would be achieved through the CUP process. These are existing homes and not new homes operating as STRS. For septic, they need to provide proof the system is large enough. A pool maintenance company can help certify and clean. Report results, but we set up the standards they need to meet. The management companies will have a lot of properties and may not be able to handle inspections. Richmond Petty stated that it would be a better solution because the CDHD did not have to man power for such oversight.

Commissioner Jim Newberry stated that this would just another layer of bureaucracy that we don't need. He stated it was similar to orchardists having their own bathrooms and servicing them themselves.

Commissioner Vicki Malloy stated that a lot of the STR owners are not local, so this is an option for them.

Commissioner Jordan McDevitt thinks it should be at the option of the homeowner, so they can do it themselves if they are able to. Daily pH monitoring seems excessive.

Commissioner Carl Blum asked if a B&B has a hot tub, who monitors that? Richmond Petty answered that those are permitted, so the same standards as the hotels apply. He is not sure if STRs are permitted by CDHD, so maybe weekly would be an option. Commissioner Carl Blum stated that we would like to hear from the CDHD that they have read the regulations and are willing and able to be part of the monitoring and permitting process.

Director Jim Brown stated that there needed to be adopted or modified regulations/process to accommodate STRs, adopted by the Health District. It won't be Community Development out doing pool inspections; it will be up to the health district. Commissioner Carl Blum stated that we just need to have the CDHD as a partner in this process

Chairman Ryan Kelso asked to move forward with discussion of the Code, based on public comments that were received.

Commissioner Greg Becker stated that he has comments and suggestions; he referred to a packet where he submitted language for the taskforce. Chairman Ryan Kelso stated that the Planning Commission will go through that after the rest is addressed, as one needs to happen before the other to occur.

Commissioner Greg Becker asked Lisa Grueter, from BERKE Consultants, if Peshastin and Manson UGAs regulations stay in effect and what we are doing here does not supersede what they already have. He wanted to know if their autonomy protected. Lisa Grueter answered that they have made some edits in those two UGAs regulations. For example, Peshastin wanted language cleaned up regarding similar uses (transient lodging) and requested STRs be allowed in commercial zones and not in residential zones

In Manson, edits were made, per Commissioner Carl Blum, to remove Tier 3 from being permitted in residential zones, which would be similar current standards for the Manson UGA.

Commissioner Greg Becker asked if the changes made in those two areas would allow them to retain their autonomy. Lisa Grueter answered that they would.

Commissioner Greg Becker stated that based on the 914 pages of public comment that he read, he wanted to throw out for discussion - use chart – non-owner occupied STRs in RR2.5 subject to a 5 year sunset, Rural Residential and lots under 2.5 acres subject to 5 year sunset, RW with lots under 2.5 acres subject to a 5 year sunset, lots under 2.5 in RR2.5 for Tier 3 subject to a 5 year sunset. These recommendations made based on comments received from the public.

He also stated that to qualify as owner occupied, the owners principal dwelling was within 200 feet and that would also apply to their accessory buildings. They currently have 15 days under Tier I without owner – amend that to require pseudo owner for oversight so there is still someone on-site. Tier 3 – other than the RR2.5 with the sun setting, all be changed to CUPs across the board in all zoning districts and would like to see language for development standards and criteria prior to adopting this set of regulations. We need to see that before voting on this document. What will be conditions of the CUPs?

He wanted to raise the limit of 10 people to 12 people, still 2 people per bedroom, now allowing a 6 bedroom home. With fewer bedrooms, still limit to 2 people per bedroom. Basically, the number of bedrooms times 2.

He continued with emergency provisions (Ready Set Go Organization & Lake Wenatchee Fire Rescue) under property management, required to be posted for renters in the STR units, along with rules of occupancy, and their website and information that would also be made available to neighbors within 300 feet.

He added that a hotline is important and has to be a means to register complaints with some guarantee of follow up and enforcement.

To eliminate frivolous complaints, they must be documented: date and time, nature of complaint, name address and phone number of complainant, videos, recordings, or sound meters, to validate the complaints and substantiate

For transfers – after 3 years, the STR standing goes away/ends and they have to reapply – asked he asked Lisa Grueter, from BERKE Consultants, for clarification. She answered that on page 17 of draft code, what was intended was once a property is sold, they can operate for 3 years under the previous approval, and then they have to start fresh with a new permit, with PC recognizing and sympathetic to the investment of the previous owner and that be recognized with one transfer. RE CUP criteria, but we would need to codify the standards so they mirror what was adopted by the BoCC.

Commissioner Jordan McDevitt asked if, at the end of 3 years, the subarea was under the cap, they could apply for a new permit. If the area is subject to its cap, they would need to wait until a new permit became available.

There was a discussion with staff about the two sections in the code (general and specific development standards and criteria) that would need to be addressed for any CUP application. Plug these standards into the code at the appropriate reference point.

Commissioner Greg Becker brought up the need for rental enforcement – a complete list of what would constitute an infractions so the owners now what the expectations are and the neighbors know what to expect. Over occupancy, signs, dogs, late night parties, noise, lewdness, hot tubs, etc. Everything we are going to be considering as an infraction. That's fair to all parties involved. He suggested a grace period, or delayed implementation date to allow the STRs time to digest and get applications going. He felt a 6-8 month delay would be reasonable.

Commissioner Carl Blum stated if this was voted in next week, as is, there would have to be a grace period and he was thinking that it would probably be the 1st of January because a lot of things need to done – applications, standards, getting things lined up to implement.

Commissioners Carl Blum & Greg Becker had a discussion on Tier 1 within 200 feet. Carl disagrees with the 15 days for Tier 1. If owner occupied, they shouldn't rent if they are not there, even for only 15 days. His concern is the burden it would put on Community Development. Greg asked what if there is an emergency and they already have reservations, would live-in substitute for that? Carl answered that yes, he thought so and he also made a comment suggesting we use a date for actual construction and permits. He believes it is reasonable to set a threshold date of May 29th (if they had a permit). It is too open ended right now.

Commissioner Jordan McDevitt stated that he would expect that date to be tied to whatever is adopted by the BoCC. He also agrees with the delayed implementation concept.

Director Jim Brown stated that Community Development is not ready to throw the switch on this immediately. We may need to have to increase staffing and getting documents ready.

Lisa Grueter, from BERKE Consultants, stated that only Tier 3 would require a CUP. Commissioner Greg Becker stated that 7 zones would require a CUP.

Commissioner Carl Blum asked when code enforcement is slated to go to the Sheriff. Director Jim Brown stated that he is not sure how much of this would be retained at Community Development. Commissioner Carl Blum added that code enforcement is a piece that needs to be in sync.

Commissioner Jim Newberry asked what regarding STR would be the responsibility of the Sheriff. Director Jim Brown stated that limited commission officers are a gateway conversation. It will not be 911 deputies being pulled away to handle code enforcement for STR complaints. They will have different duties including process serving. Chairman Ryan Kelso asked how this will be financed and was this discussed with BoCC. Director Jim Brown answered yes it was discussed as part of the reorganization of department.

Commissioner Vicki Malloy injected that we are talking about code we are putting together, but still not acknowledging how this came about to begin with. County Comp Plan H2.4 addresses STRs as vacation rentals because they impact the character of neighborhoods and impact housing stock; to encourage appropriate placement of STRs. She continued with lots of different opinions from BoCC members and different ones over the years and has given Community Development instruction to permit them as SFR because they didn't believe it would impact our communities. Now with all the complaints, they want to do something.

The problems identified - parking, garbage, noise, trespassing, privacy issues, septic capacity issues, fire hazards and risks, community safety, signs, hot tubs, tubs, pools, spas, large occupancies, STR owners/property managers unavailable to respond in a short time, commercial ventures in residential neighborhoods, as well as verifying insurance is in place should there be a problem. Based on the comp plan, things have gotten way out of hand for the neighborhoods.

She stated that we need some clear definitions. Can we put the definitions within the county code? There are really poor definitions currently. Clear definitions to each of the areas identified on complaint list. What we currently have in code is grossly inadequate to provide clear explanation of what constitutes a violation.

She continued with the need to get Host Compliance (or the like) onboard immediately to address complaints now. Residents disturbed by behaviors of STRs must have a go-to to call for complaints. All complaints would go through Host Compliance and be documented and take care of the problem within an hour. If not resolved then Host Compliance (or the like) would call the Sheriff's department.

The county has allowed the STR to come into our residential neighborhoods next to our lake front properties and into our pristine environments in rural neighborhoods. They have impacted the character of our ability to enjoy the peaceful relaxation we purchased with our properties to enjoy. Because of that we must also permit STRs to coexist with us with specific limitations and sunsets to reasonably consider the investments they have made. I believe the STRs are NOT compatible with residential zones.

She supports ceasing Tier 2 & 3 STRs in any residential zones. She would like a 5% caps in all areas of Chelan County. The cap should also be specific in locations saturated with STRs (Leavenworth, Lake Wenatchee & Plain). Add Fish Lake to the list of areas – they have been inundated and it has taken away the peaceful atmosphere of that lake. All STR owners who were in business on the threshold date be encouraged to apply for the STR permit provided they meet the standards, regardless of the % that adds up to. All of them have the right to apply if they meet the standards and can move forward. Those who do not meet the standards must sunset. She thinks we agreed on 3 years, but she prefers 2 years. At that point, they can move into the home, convert to a long term rental or sell the home to recoup their investment.

Permits should not be transferred – prolongs the existence of the STR and defeats the purpose of moving STRs out of residential neighborhoods. They can still apply for the permit in their area instead of having it transferred. The increase of 1% after the 5% cap has been met must be placed in zones. The larger lodges are in the outlying areas and maybe we can do an overlay. There is one that advertises for 58 people, we cannot allow

them to disturb the neighborhood for the sake of making money. Their huge investment was misplaced at that location.

Lisa Grueter, from BURKE Consultants, stated that there are standards included that meet the BoCC vision. The ones were not addressed were pools and hot tubs. For existing STRs that apply, but don't meet the criteria, they only have 2 years.

Commissioner Will Wiggs clarified that the 58 person home is right next door to a 0.6 acre lot.

Commissioner Jordan McDevitt stated he read all of the comments as well and he feels that the code keeps getting more and more cumbersome, at risk of tripping over itself. We are creating regulations to solve the problem of reckless owners that cause hardship for the neighbors. Requiring land use permits to address and monitor the behavior will get to the issue of the "bad actors". If they continue to be a party house, the code should be set up to lose their permit. We are spending too much time on regulations for things that are already in code (noise, nuisance). He likes most of Commissioner Greg Becker's comments, with the exception of the sun setting. Generally, he liked the suggestions a lot. We need a less cumbersome code and a way to re-look at the effectiveness of the code in a couple of years. Protecting the neighborhoods should be a factor.

Commissioner Greg Becker added that additional discussion of 2.5 acre requirement was needed to protect the integrity of the neighborhoods.

Commissioner Jordan McDevitt stated that we need to enforce the land use regulations and have a permit tied to it that can be terminated.

Commissioner Greg Becker added that we have to be sensitive to the owners that are experiencing some terrible things, but there are some fantastic STR owners that are responsible. Commissioner Pat Hammersmith stated that we need to be sensitive to the neighborhoods being taken over by the STRs. For regulations to be fair to both sides of the issues and she thinks Commissioner Greg Becker has made some great suggestions. Commissioner Will Wiggs agreed that both Greg and Vicki had great comments.

Commissioner Randy Baldwin had questions for Lisa Grueter, from BURKE Consultants. How many communities have you done STR regulations? She answered the City of Chelan and Chelan County. Randy continued by asking if those are land uses, or businesses. He wanted to know if we need to look at this in a different way.

Director Jim Brown clarified that the County does not issue a business licenses. The County has allowed STRs to exist, but not permitted with a formal approval with a document. The question is whether or not the County has "allowed" the commercial activity of STRs in a residential zone.

Commissioner Randy Baldwin want to make sure that we all understand that there has to be some enforcement. The County has let this get out of control. Turning back to the Tiers, he hasn't seen any cost put on enforcement.

Commissioner Randy Baldwin and Director Jim Brown had a discussion concerning Code Enforcement and what that would look like in draft form. The County is still negotiating with the Sheriff office. He thought it might require 3 people and the start-up might be about \$500K.

Commissioner Jim Newberry stated that Code Enforcement is already back logged and we are adding another layer of bureaucracy and asked how much time do we want to spend on monitoring business

owners. He believes that it is bureaucracy that wants to grow and it is Ludacris hype that is taking a lot of people out of business.

Chairman Ryan Kelso stated he read all of the comments and there are some “bad actors”. Those are the ones we need to be resolving. Many STRs are very good, he lives next to a variety of them; however, while some are great, others could do better. Many of our existing codes are not enforced.

Commissioner Greg Becker stated that we need to recognize Commissioner Vicki Malloy’s suggestion that we enlist the services of Host Compliance. They can identify all of the STRs to make sure they are compliant with the permit process. If they offer an enforcement tool, being the first connection with the complainant and owner, and only if not corrected it would go to the sheriffs, and it’s an affordable price, maybe the impact of enforcement would not be as great as some fear. The difference between the home occupations and STRS is that home occupations can only use up to a certain % of the home space, whereas the STR (a good % of them) is going to be 100% of the home.

There were some discussion about Host Compliance and that we may have to go out for contract bids depending on several factors.

Commissioner Greg Becker added that it would be prudent to shop around to find a company to give us the most bang for our buck.

Director Jim Brown discussed how enforcement would work even with Host Compliance involvement.

Chairman Ryan Kelso stated that we will need another meeting to discuss the suggestions tonight and modify the proposal.

Commissioner Vicki Malloy stated that discussion on what we can take out to simplify and other things we need to add to address like the septic standards.

Commissioner Carl Blum stated that for the Tier 3 permits, if they can show documentation that Community Development approved it already, they should get a no-cost CUP.

Commissioners Greg Becker and Jordan McDevitt pointed out that we need to be sensitive to the owners that have invested in this endeavor as well.

Chairman Ryan Kelso stated the Planning Commission should follow with a task force after setting a special meeting for July 9, 2020 at 7:00 pm.

MOTION:

Motion made by Commissioner Jordan McDevitt, second by Commissioner Vicki Malloy for continuation to date certain – July 9, 2020, at 7:00 pm.

No discussion

Vote – Unanimous

ADJOURNMENT

MOTION:

Motion made by Commissioner Greg Becker and seconded by Commissioner Jordan McDevitt to adjourn.

Vote – unanimous

Meeting Adjourned at 9:16 pm.

Next Planning Commission Meeting is on July 9, 2020, at 7:00 pm – a Zoom meeting.

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

DRAFT

Amended DRAFT Schedule: Chelan County Short-Term Rentals Regulations

As part of Task 3 a schedule will be developed and maintained. Following is an approximate 6-month schedule. Dates are dependent on prior steps.

Step	Approximate Start Date		Approximate End Date		Hearing Notice Published Approx.	Activity
1	2/25/2020		2/25/2020			Contract Authorization
2	2/26/2020		3/11/2020			Preliminary Draft Situation Assessment
3	3/11/2020		3/20/2020			Staff/PAO Review
4	3/20/2020		3/26/2020			Revisions
5	3/31/2020		3/31/2020			BOCC Work Session
6	4/1/2020		4/6/2020			Regulation Writing and Outreach Materials
7	4/6/2020		4/10/2020			Staff/PAO Review
8	4/10/2020		4/17/2020			Revisions/Public Draft
9	4/22/2020		4/22/2020			Planning Commission Study Session
10	5/13/2020		5/13/2020			Planning Commission Study Session (Special)
11A	5/27/2020		5/27/2020			Planning Commission Study Session
11B	6/3/2020		6/3/2020			Planning Study Session (Special)
12A	6/17/2020		6/17/2020		6/6	Scheduled: Planning Commission Hearing (Special)
12B	6/24/2020		6/24/2020			Scheduled: Planning Commission Deliberation
13	7/9/2020	7:00 PM	7/9/2020			Scheduled: Planning Commission Deliberation continued (Special)
14*	7/21/2020	5:30 PM	7/21/2020			Scheduled: BOCC Study Session (Special)
15*	8/4/2020	5:30 PM	8/4/2020		7/24	Scheduled: BOCC Hearing (Special)
16*	8/18/2020	5:30 PM	8/18/2020			Scheduled: BOCC Deliberation and Decision (Special)

- **Process of Review:** See [Chapter 14.13 Development Regulation Text Amendments](#)
- **Public Hearing Notice:** Consider [14.08.060 Notice of public hearing](#). Also: [14.14.090 Staff reports](#) and [14.14.120 Public participation program](#). Some of these pertain to Comprehensive Plan Amendments or Development Applications. However, all appear to require a minimum 10-days' notice before a public hearing.

Chelan County Short-Term Rentals

July 2, 2020 | Planning Commission Deliberation Code

Overview

This document presents some potential amendments to the draft hearing code prepared on June 5, 2020 for the June 17, 2020 hearing. The amendments are based on Planning Commission deliberations on June 24, 2020. See minutes provided with the Planning Commission packet. The amendments will be discussed at the July 9, 2020 special Planning Commission meeting.

Full context for the short-term rental regulations process can be found within:

- Planning Commission packets from April to the present available at the following page; the packets show the progression of the discussion over time: <https://www.co.chelan.wa.us/community-development/pages/planning-commission>.
- A project website with public meeting information, summaries of public comments, and code proposals. See: <https://www.co.chelan.wa.us/community-development/pages/short-term-vacation-rentals>. Public comments received through the hearing in June 2020 are posted at the project website.

Background Information

The draft code is based on different categories of short-term rentals. Information about whole or partial home rentals, bedrooms, and occupancy is helpful for a number of the questions the Planning Commission is exploring.

In the draft code, owner-occupied short-term rentals (Tier 1) would be permitted in most zones in the County provided they meet operational standards and obtain a land use permit. Tier 2 short-term rentals are non-owner occupied, and while allowed in a zone may be further restricted in overlay zones or in total numbers. Tier 3 short-term rentals are those with larger guest occupancies (currently as written over 10) and would typically require conditional use permits and have similar location and number restrictions as Tier 2.

There are no firm estimates of how many units fall into Tier 1, Tier 2, or Tier 3 categories, but some of the AirDNA data does offer some potential information.

There is no definition of principal residence in the County code and information about where people vote or pay taxes is not available in a format that works with the point level data we have from AirDNA. However, AirDNA information does track how many units are offered as entire homes (likely Tier 2) versus private rooms (likely Tier 1). Less than 100 of the 1,300+ short-term rentals are tagged as partial rentals in the AirDNA data and most are whole house rentals. See table below. Thus, it is anticipated that most short-term rentals are non-owner occupied.

34 **Exhibit 1. Chelan County Short-Term Rentals – AirDNA January 2020 – Unincorporated County by Zip Code**

Zip Code Community Name	Zip Code	Entire Homes/ Apartments	Private Rooms
Leavenworth	98826	749	55
Manson*	98831	281	7
Chelan	98816	97	3
Peshastin	98847	53	3
Wenatchee	98801	30	13
Cashmere	98815	28	11
Malaga	98828	5	-
Entiat	98822	4	-
Total		1,247**	92

35 Notes: *Includes about 83 short-term rentals on tribal land.
 36 **Slightly different counts of entire units comparing property based data to monthly rental data (10 units less).
 37 Sources: AirDNA February 2020; BERK 2020

38 Some of the draft code indicates an owner-occupied Tier 1 home may be rented for 15 days or less
 39 without the owner present. Most short-term rentals are rented for an average of nearly 40 days, whether
 40 whole or partial, though partial rentals appear to be offered to less days. By days of rental most short-
 41 term rentals would be considered Tier 2.

42 **Exhibit 2. Unincorporated Chelan County Entire Home/Apartment – January 2020:**
 43 **AirBnB and HomeAway Listings Property Data**

Zip Code Place	Count of Properties	Average of Bedrooms	Average of Number of Bookings LTM	Average of Count Available Days LTM	Average of Occupancy Rate LTM	Average of Annual Revenue LTM	Average of Published Nightly Rate
Cashmere	28	2.0	42	91	52%	\$23,147	\$166
Chelan	97	3.2	25	120	44%	\$37,984	\$360
Entiat	4	1.0	21	110	43%	\$11,586	\$131
Leavenworth	749	2.7	46	144	48%	\$44,138	\$263
Malaga	5	1.8	50	130	57%	\$23,626	\$141
Manson*	281	3.3	27	122	46%	\$39,777	\$316
Peshastin	53	2.8	39	139	42%	\$29,878	\$253
Wenatchee	30	2.6	29	97	55%	\$27,957	\$247
Grand Total	1,247**	2.8	39	135	47%	\$41,029	\$278

44 Notes: *Includes housing on Wapato - about 83 in Manson
 45 **Slightly different counts of entire units comparing property based data to monthly rental data.
 46 Acronym – LTM = last 12 months

47 **Exhibit 3. Private Room – AirDNA January 2020 – Unincorporated County by Zip Code**

Zip Code	Count of Property ID	Average of Bedrooms	Average Num. Bookings LTM	Average Available Days LTM	Average of Occupancy Rate LTM
Cashmere	11	0.8	62	123	57%
Chelan	3	0.7	30	32	65%
Leavenworth	55	1.1	39	87	65%
Manson	7	1.9	21	70	69%
Peshastin	3	1.0	36	116	50%
Wenatchee	13	1.5	37	121	57%
Grand Total	92	1.1	40	94	63%

48 *Acronym – LTM = last 12 months*
 49 *Sources: AirDNA February 2020; BERK 2020*

50 Tier 3 units are those that exceed the occupancy standard, currently written as a maximum of 2 per
 51 bedroom up to 10 maximum including children.

52 Short-term rentals available as whole house rentals tend to have 4 bedrooms or less, and fewer have 5
 53 or more bedrooms. The fewer larger ones tend to be located in the Leavenworth Zip Code Area.

54 **Exhibit 4. Whole Home Rentals and Bedrooms – AirDNA January 2020 – Unincorporated County by Zip Code**

Zip Code Area	Number of Bedrooms											Grand Total
	0	1	2	3	4	5	6	7	8	10	12	
Cashmere	4	9	8	2	2	2	1					28
Chelan		10	20	31	20	9	4	3				97
Entiat	1	2	1									4
Leavenworth	40	110	203	211	122	34	17	6	3	2	1	749
Malaga		1	4									5
Manson*	5	20	43	93	68	43	8	1				281
Peshastin	3	11	9	15	9	2	2	2				53
Wenatchee		8	5	10	5	1	1					30
Grand Total	53	171	293	362	226	91	33	12	3	2	1	1,247

55 *Note: *Includes about 83 short-term rentals on tribal land.*
 56 *Sources: AirDNA February 2020; BERK 2020*

57 Units may advertise with a maximum guest count. Most advertise at 12 or less. Some offer places for 13-
 58 16. Typically larger occupancies are offered in the Leavenworth, Manson, and Chelan areas.

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60

**Exhibit 5. Whole Home Rentals and Maximum Guests Advertised
– AirDNA January 2020 – Unincorporated County by Zip Code**

Maximum Guests	Zip Code Area								Grand Total
	Cashmere	Chelan	Entiat	Leavenworth	Malaga	Manson*	Peshastin	Wenatchee	
1				1					1
2	8	2		52	1	4	3	4	74
3				8		1		1	10
4	8	10	2	93	2	15	8	2	140
5	2	4		28		5	2	1	42
6	3	12	2	161	1	31	15	6	231
7		2		20		8			30
8	3	21		142	1	54	8	11	240
9		2		25		8		2	37
10		15		63		79	7	2	166
11		3		19		2	2		26
12	2	11		61		55	3		132
13				9		1			10
14	1	9		25		10	2		47
15		1		3		2			6
16	1	3		28		4	3	1	40
17				1					1
18		1		4		1			6
20		1		1					2
21				1		1			2
22				1					1
25				1					1
26				1					1
37				1					1
Total	28	97	4	749	5	281	53	30	1,247

Note: *Includes about 83 short-term rentals on tribal land.
Sources: AirDNA February 2020; BERK 2020

61
62

63 Communities address occupancy differently. Examples are included in the table below.

64 **Exhibit 6. Example Short-Term Rental Occupancy Limits**

Community	Occupancy Allowances
Manson, Chelan Co. WA	2 for each bedroom plus 2 additional persons, excluding those under age of 6.
City of Chelan	2 people for each double bed or larger, excluding up to 4 children under the age of 6. Properties that want to accommodate more than 10 tenants may need to comply with additional health and safety regulations as deemed necessary by the building official and be greater than 2000 square feet gross floor area to comply with the International Residential Code.
Okanogan County, WA	The maximum number of individuals served by a nightly rental is 10.
Pierce County, WA	Up to 5 guest rooms with 2 guests per bedroom, not to exceed a total of 10 guests.
San Juan County, WA	No more than 2 guests per bedroom plus additional 3 guests be at any one time. Number of bedrooms is determined by the approved building permit for the structure. Guest is a person over 2 years of age.
Bend, OR	Maximum occupancy - 2 persons per bedroom plus 2 additional persons. For owner-occupied STRs, 2 persons per rented bedroom, in addition to residents of the dwelling.
Cannon Beach, OR	6 per 1 or 2 bedrooms, 8 for 3 bedrooms, 10 per 4 bedrooms, 12 for 5 bedrooms.

65

66

67 ISSUES AND OPTIONS

68 **Use Allowances**

69 Planning Commissioners discussed that Tier 3 short-term rentals that allow for higher occupancies than the
70 standard should require a conditional use permit (CUP) in every zone, particularly those allowing for
71 smaller lots (e.g. 2.5 acres minimum lot size). The hearing draft had included Tier 3 short-term rentals in
72 all zones as CUPs except they were proposed to be permitted in:

- 73 ▪ Rural waterfront: (RW)
- 74 ▪ Rural recreational/residential (RRR)
- 75 ▪ Rural village (RV)
- 76 ▪ Rural commercial (RC)

77 A Planning Commissioner also suggested sunsetting Tier 2 and Tier 3 short-term rentals in the RR2.5 and
78 RW zones after a 5-year period.

79 **Use Chart Options**

80 Amendment options are proposed for the Planning Commission based on the ranges of ideas discussed at
81 the June 24, 2020 meeting.

82 A. Make Tier 3 short-term rentals required to obtain a CUP in RW, RRR, RV, and RC zones. Though the
83 zones allow some recreation and tourism uses, the zones are applied to communities and villages with
84 homes on smaller lots that could be sensitive to larger short-term rentals. Do not exempt Tier 3 in the
85 RRR zone from the 1% cap.

86 **OR**

87 B. Make Tier 3 short-term rentals required to obtain a CUP in the RW, RRR, and RV zones, but allow
88 Tier 3 short-term rentals as Permitted in the RC zone since that zone is defined as a rural commercial
89 area and permits Lodging Facilities already. Do not exempt Tier 3 in the RRR zone from the 1% cap.

90 **OR**

91 C. Add a Tier 3 CUP to the RRR and RV zones, and Prohibit Tier 2 and Tier 3 short-term rentals in the
92 RR 2.5 and RW zones. Existing ones would sunset after 5 years. Do not exempt Tier 3 in the RRR
93 zone from the 1% cap.

94 **OR**

95 D. Cease Tier 2 and Tier 3 short-term rentals in any residential zones. Existing ones would apply to
96 demonstrate they meet all other standards and sunset after 2 years. Do not exempt Tier 3 in the RRR
97 zone from the 1% cap.

98

99 **Owner Occupancy**

100 Tier 1 includes owner occupied units. An aspect of Tier 1 is that an owner would be allowed to rent the
101 home as a short term rental for up to 15 days to allow for some vacation or leave options.

102 There are two aspects the Planning Commission discussed for amendment: whether an owner can rent
103 without being on site for 15 days and whether homes in close proximity to the owner can count as owner-
104 occupied.

105 **Owner Onsite Present Options**

106 E. Remove allowance for 15 days rental in a Tier 1 home. When rented as a short-term rental the
107 owner must be present at all times.

108 **OR**

109 F. Retain 15 days short-term rental without the owner onsite only a substitute on-site qualified person is
110 present when the owner is absent.

111 **OR**

112 G. *In conjunction with either option above*, count a short-term rental as owner occupied if it is located on
113 another parcel but is within 200 feet.

114 **Guest Occupancy Limits**

115 The Planning Commission discussed occupancy limits that apply to Tier 1 (owner occupied) and Tier 2
116 (non-owner occupied), which are currently set at 2 per bedroom up to a maximum of 10 including
117 children. Some Commissioners discussed allowing up to 12 as a cap – 2 per bedroom up to 12.

119 **Total Occupancy Count Options**

120 H. Alter the occupancy limit at two guests per bedroom, not to exceed a total of 12 guests including
121 children.

122 **OR**

123 I. Alter the occupancy limit at two guests per bedroom, not to exceed a total of 12 guests. Do not
124 count up to 4 children under 6 years old similar to current Manson and City of Chelan regulations.

125

126 **Caps on Units and Density**

127 The hearing draft code follows some early guidance from the BOCC at their March 31, 2020 study
128 session to provide for a 1% cap on new short-term rentals and to consider overlay districts to limit
129 densities such as allowing existing units but no new ones. In the draft code Tier 2 and Tier 3 units are
130 limited in zip codes where the share of short-term rentals to the total housing stock exceeds 5%.

131 The BOCC vision provided to the Planning Commission around May 20, 2020 also includes that the BOCC
132 wishes to address rapid proliferation and the limit on adding new short-term rentals was

133 *The Board of Commissioners intends to adopt code that addresses the rapid proliferation of short-*
134 *term rentals in Chelan County. The BOCC wishes to protect the character of residential communities*
135 *across the county, while allowing for property-owner income from short-term rentals. The BOCC*
136 *recognizes that STRs are an important part of our economy. However, while many owner/operators*
137 *manage their properties responsibly, many clearly do not.*

138 Planning Commissioners have commented on the complexity of the code. In part this is due to trying to
139 respond to recent comments and more importantly to address the lack of a clear code over the last
140 several years whereby short-term rentals were established and the allowances for them were unclear.
141 The draft code tries to address existing short-term rentals that vary in size, ownership, and other matters,
142 and clarify what the County wants to allow in the future.

143 A Planning Commissioner suggested a simplification would be to say that the 5% threshold applies in all
144 areas of the County, as well as in specific areas like Leavenworth, Lake Wenatchee and Plain. Another
145 area to provide a specific threshold is Fish Lake. All existing short-term rentals would apply regardless of
146 the 5% and those that can meet standards could be approved and those that do not should sunset after
147 two years. The 5% limit should be placed in zones. Larger lodges could be allowed in an overlay.

148 **Simplification of Density Limits Option**

- 149 J. Continue the 1% cap on new Tier 2 and Tier 3 short-term rentals, but amend the code to limit new
150 short-term rentals from locating in any place countywide where the share of short-term rentals
151 exceeds 5% with specific call outs for Leavenworth, Lake Wenatchee, Plain, and Fish Lake. No other
152 call-outs would apply.

153 **Pool and Hot Tub Standards**

154 Washington State provides maintenance standards for pools and hot tub water quality monitoring
155 applicable to amusement parks, athletic clubs, hotels, motels, and apartments as well as other municipal
156 facilities. The rules on maintenance do not apply to single-family homes; building code requirements must
157 be met though. The rules are located at:

- 158 ■ [Water Recreation Facilities, Chapter 246-260 WAC](#)
 - 159 □ Water Recreation Facilities, Chapter 246-260 WAC
 - 160 □ Recreational Water Contact Facilities, Chapter 246-262 WAC
- 161 ■ [Recreational Water Contact Facilities, Chapter 246-262 WAC](#)
 - 162 □ Water Recreation Facilities, Chapter 246-260 WAC
 - 163 □ Recreational Water Contact Facilities, Chapter 246-262 WAC

164 The Chelan Douglas Health District permits new facilities and inspects such facilities annually. See:
165 <https://cdhd.wa.gov/public-pool-and-spa-permits/>.

166

167 **Pool and Hot Tub Standards Options**

168 K. Require an up-front inspection when the short-term rental is receiving its first land use permit by the
169 Chelan-Douglas Health District. Allow a third-party monitoring and inspection for short-term permit
170 renewal.

171 **OR**

172 L. For Tier 1 permits do not require any permits or inspections for pool and hot tub. For Tier 2 and Tier
173 3 short-term rentals require parity with hotels and motels and require permitting and inspecting by
174 the Chelan-Douglas Health District.

175 **Emergency / Fire Standards**

176 Based on public comments including from a fire district, a Planning Commissioner has proposed adding a
177 requirement to meet Ready Set Go activities. See: <https://www.lwfr.org/ready-set-go>. The Ready Set
178 Go activities should be part of the property management, and required to be posted for renters in the
179 short-term rental units, along with rules of occupancy, and their website and information should also be
180 made available to neighbors within 300 feet.

181 **Emergency / Fire Standard Option**

182 M. As part of the fire-protection plan require consistency with a Ready Set Go program or equivalent
183 and inclusion in the property management plan.

184 **Complaints**

185 The hearing draft code references enforcement provisions of Title 16 CCC and in the state law. A
186 Planning Commissioner suggested that persons filing complaints must document date and time, nature of
187 complaint, name address and phone number of complainant, and provide videos, recordings, or sound
188 meters, to validate the complaints and substantiate the complaint.

189 **Complaint Option**

190 N. Require a code violation form that includes substantiation of the complaint; as well as contact
191 information.

192 **Conditional Use Permit Cost for Existing Tier 3**

193 With the lack of clarity around allowances for short-term rentals, and some operators stating in comments
194 that they received authorizations from the County, a Planning Commissioner suggested that if a Tier 3
195 operator received written documentation from the County that their use was allowed they should be able
196 to apply for a CUP at no cost.

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CUP Fee Option

- O. Allow the Community Development Director to waive a permit fee for a Tier 3 Conditional Use Permit if it is documented in writing that the County permitted the short-term rental use for the size and location.

Conditional Use Permit Criteria and Process

All short-term rentals need to meet the proposed short-term rental regulations in Draft Section 11.88.280 including the standards in subsection (3). For Tier 3 permits that require a CUP, criteria of CCC 11.93.040 must be met. Cross references between draft 11.88.280 and Chapter 11.93 can be added.

11.93.040 Conditional use permit criteria.

The development standards of this title shall be used by the applicant in preparing the conditional use permit application and by the hearing examiner in determining the acceptability of permitting a conditional use in a certain location. The applicant has the burden of proving that the proposed use meets the criteria set forth in this chapter. A conditional use permit may be approved only if all of the following review criteria and any special criteria listed in this chapter are met:

- (1) All criteria required for a specified use by this chapter can be satisfied.*
- (2) A finding can be made that the design standards of the zoning district within which the lot is located, critical area regulations, and all other applicable development standards and regulations can be met.*
- (3) Compatibility with the adjacent uses and the protection of the character of the surrounding area.*
- (4) Detrimental impacts on the natural environment and productive use of surrounding natural resource lands can be mitigated or avoided.*
- (5) No conditional use permit shall be issued without a written finding that:
 - (A) After adequate opportunity for review and comment, all providers of water, sewage disposal, schools, and fire/police protection serving the development have issued a letter that adequate capacity exists or arrangements have been made to provide adequate services for the development.*
 - (B) No county facilities will be reduced below adopted levels of service as a result of the development.**
- (6) The proposed use shall not result in undue adverse impacts affecting the public health, safety and welfare.*
- (7) A finding shall be made that adequate provisions have been provided for roads, ingress and egress, stormwater, parking and loading, domestic and irrigation water, sanitary facilities, power, fire protection, and other necessary facilities, improvements or services consistent with the requirements of Titles 11 and 15 of the Chelan County Code. Primitive or forest service roads may be considered appropriate access as provided in Section 11.88.070.*
- (8) Noise, light, heat, steam, erosion, water quality, glare, odors, air pollution, smoke, wastes, dust, vibration, electrical disturbance, physical hazards and related impacts on adjacent properties and to the vicinity can be mitigated or avoided.*
- (9) The granting of the proposed conditional use permit is consistent and compatible with the intent, goals, objectives and policies of the comprehensive plan, and any implementing regulation.*
- (10) All conditions necessary to mitigate the impacts of the proposed use are conditions that are measurable and can be monitored and enforced.*

236

Cross Reference CUP Criteria Option

237 P. Add a cross reference to CUP requirements in Chapter 11.93 and vice versa within CUP Chapter
238 11.93 to the short-term rental regulations in Section 11.88.280.

239

Definition of Room or Bedroom

240 Bed and Breakfasts and Guest Inns are defined in the Chelan County Code in part by having “lodging
241 units” which are defined as: “Lodging unit” means one self-contained unit designated by number, letter or
242 some other method of identification.

243 The draft short-term rental regulations use some definitions from RCW 64.37.010. “Short-Term Rental”
244 means a dwelling unit or a portion of it. Rooms or bedrooms are not defined. Example codes do not
245 appear to define a bedroom. Staff has proposed a definition:

246 *Rooms: Either enclosed or open areas within a structure being used as a Short Term Rental that provides sleeping*
247 *accommodations such as mattresses, beds, sofa sleepers, roll away beds, day/trundle beds, bunkbeds, murphy beds,*
248 *etc.*

249

Bedroom Definition Option

250 Q. Add a definition of bedroom: Either enclosed or open areas within a structure being used as a Short
251 Term Rental that provides sleeping accommodations such as mattresses, beds, sofa sleepers, roll
252 away beds, day/trundle beds, bunkbeds, murphy beds, etc.

253

Other Responses

254 A Planning Commissioner referenced a need to ensure there are provisions for adequate septic. Please
255 see requirements for an adequate on-site sewage disposal system in subsection (4)(H).

256 Planning Commissioner discussed a delay in the effective date of 6-8 months. This can be included in the
257 adopting resolution. A concern would be the potential for short-term rentals to be established ahead of
258 the new regulations, and the Commission has discussed different dates of applicability.

259 The Commissioners have discussed setting up a hotline for complaints. That is a budget and resource
260 recommendation that the Planning Commission can provide to the Board of County Commissioners.
261 Likewise, if a service like Host Compliance is recommended, it can be folded into Planning Commission
262 recommendations.

263

264 Chelan County
 265 Draft Short-term Rental Code

266 DRAFT July 2, 2020 | Revisions for Planning Commission Deliberation

267 Use Allowance Amendments

268 CHAPTER 11.04 DISTRICT USE CHART

269 11.04.020 District Use Chart

270 The use chart located on the following pages is made a part of this section. The following acronyms apply
 271 to the following use chart. If a cell in the table is blank, the use listed in the left hand column is a
 272 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

273 District Use Chart

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>

274 Option A

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>CUP</u>	<u>CUP</u>	<u>CUP</u>	<u>CUP</u>			<u>CUP</u>	<u>CUP</u>	<u>CUP</u>

275 Option B

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>	P(1)	P(1)	P(1)	P(1)	P(1)	P(1)	P(1)	P(2)			CUP	CUP	CUP
<u>Short-Term Rentals Tier 3</u>	CUP	CUP	CUP	CUP	CUP	CUP	CUP	P(2)			CUP	CUP	CUP

276

277 Option C

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>	P(1)	P(1)	P(1)	P(1)	P(1)	P(1)	P(1)	P(2)			CUP	CUP	CUP
<u>Short-Term Rentals Tier 3</u>	CUP	CUP	CUP			CUP	CUP	P(2)			CUP	CUP	CUP

278

279 Option D

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>	P(1)	P(1)	P(1)	P(1)	P(1)	P(1)	P(1)	P(2)			CUP	CUP	CUP
<u>Short-Term Rentals Tier 2</u>								P(2)			CUP	CUP	CUP
<u>Short-Term Rentals Tier 3</u>								P(2)			CUP	CUP	CUP

280

281 CHAPTER 11.22 PESHASTIN URBAN GROWTH AREA

282 **11.22.030 Permitted, Accessory and Conditional Uses**

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

289 (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.

290

Districts:

R-1 = Low Density Residential

R-2 = Medium Density Residential

Districts:

R-3 = High Density Residential

C-D = Downtown Commercial

C-H = Highway Commercial

I = Industrial

I-C = Campus Industrial

P-U = Public Use

291

Land Uses	R-1	R-2	R-3	C-D	C-H	I	I-C	P-U
RESIDENTIAL USES								
Boarding/ Lodging House ³	<u>ACC</u>	<u>ACC</u>	<u>ACC</u>	<u>ACC</u> ¹	<u>ACC</u> ¹			
<u>Short-Term Rentals Tier 1 or Tier 2</u> ¹				<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.

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CHAPTER 11.23 MANSON URBAN GROWTH AREA

296

11.23.030 DISTRICT USE CHART.

297

298 The use chart located on the following pages is made a part of this section. The following acronyms apply
299 to the following use chart. If a cell in the table is blank, the use listed in the left hand column is a
300 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

301

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

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

302

Table 9.1 – District Use Chart

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

P¹ = Permitted with Standards

303

304

11.23.040 STANDARDS.

305

~~(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:~~

310

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

311

~~(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~~

312

313

~~(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~~

314

315

316

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

317

~~(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~~

318

319

~~(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.~~

320

321

322

~~(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.~~

323

324

325

~~Enforcement. Any violation of the provisions of this chapter is punishable pursuant to Title 16.~~

326

~~Enforcement actions may be brought against the owner of the vacation rental home for the conduct constituting the violation.~~

327

Short-Term Rental Standards

CHAPTER 11.88 SUPPLEMENTARY PROVISIONS AND ACCESSORY USES

11.88.280 Short-Term Rental Regulations

(1) PURPOSE

(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

(A) Type. Short-term rentals are distinguished in three tiers.

(i) 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 15 total days in a calendar year. Portions of calendar days shall be counted as full days.

Option E

(i) 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 15 total days in a calendar year. Portions of calendar days shall be counted as full days.~~

Option F

(i) 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 15 total days in a calendar year ~~provided that an on-site qualified person is there during the owner's absence.~~ Portions of calendar days shall be counted as full days.

Option G

(i) 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 short-term rental is located within 200 feet of the owner's primary residence, or (c) the entire dwelling is rented no more than 15 total days in a calendar year. Portions of calendar days shall be counted as full days.~~

362 (ii) Tier 2: Short-term rentals at a dwelling that is not the owner's principal residence or
363 that is rented more than 15 total days in a calendar year.

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

366 (B) Number.

367 (i) Tiered Permits and Numbers Allowed.

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

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

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

378 *Options A, B, C, and D*

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

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

387 *Option J (Becomes Number and Density in one)*

388 (2) The number of short-term rentals subject to the cap and locating in the
389 Leavenworth-Lake Wenatchee Overlay cannot exceed 1% in any of the
390 following locations where short term rentals make up 5% or more of the
391 total housing stock: countywide, zip code, urban growth area, or the
392 Leavenworth-Lake Wenatchee Overlay or any subarea within the
393 overlay.

394 (3) Leavenworth-Lake Wenatchee Overlay: An overlay district co-terminus
395 with Zip Code 98826 encompassing Leavenworth-Lake Wenatchee. [See
396 Attachment A.] It is further subdivided into three sub-areas for Lake
397 Wenatchee, Plain, and Leavenworth, as well as lands abutting Fish Lake
398 areas. [See Attachment B.]

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

401 (i) Section 11.04.020 applicable to all Rural and Resource Designations, except as limited
402 in Subsection (2)(D) Overlays Established, and in Subsection (2)(E) Density Limits.

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

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

407 (iv) In city-assigned Urban Growth Areas, pursuant to a city's land use regulations,
408 development standards, and land use designations, where the County has adopted such
409 pursuant to the County-City Memorandum of Understanding filed with the Chelan County
410 Auditor July 8, 1997; provided that, the County's review procedures in this subsection
411 11.88.280 must control.

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

414 (i) Leavenworth-Lake Wenatchee Overlay: An overlay district co-terminus with Zip Code
415 98826 encompassing Leavenworth-Lake Wenatchee. [See Attachment A.] It is further
416 subdivided into three sub-areas for Lake Wenatchee, Plain, and Leavenworth areas. [See
417 Attachment B.]

418 (ii) Manson Region Overlay: An overlay district including Zip Code 98831, excluding the
419 Manson Urban Growth Area. [See Attachment A.]

420 (iii) Peshastin Region Overlay: An overlay district including Zip Code 98847, excluding the
421 Peshastin Urban Growth Area. [See Attachment A.]

422 *Option J*

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

425 ~~(i) Leavenworth-Lake Wenatchee Overlay: An overlay district co-terminus with Zip Code~~
426 ~~98826 encompassing Leavenworth-Lake Wenatchee. [See Attachment A.] It is further~~
427 ~~subdivided into three sub-areas for Lake Wenatchee, Plain, and Leavenworth areas. [See~~
428 ~~Attachment B.]~~

429 ~~(ii) Manson Region Overlay: An overlay district including Zip Code 98831, excluding the~~
430 ~~Manson Urban Growth Area. [See Attachment A.]~~

431 ~~(iii) Peshastin Region Overlay: An overlay district including Zip Code 98847, excluding the~~
432 ~~Peshastin Urban Growth Area. [See Attachment A.]~~

433 (E) Density Limits.

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

437 (a) Leavenworth-Lake Wenatchee Overlay

438 (b) Manson Region Overlay

- 439 (c) Peshastin Region Overlay
- 440 (c) Residential zones in the Manson Urban Growth Area
- 441 (d) Residential zones in the UGAs assigned to the cities of Chelan, Entiat,
- 442 Leavenworth, or Wenatchee

443 (ii) Exceptions to Density Limits:

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

448 *Option J*

449 (E) Density Limits:

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

- 453 (a) Leavenworth-Lake Wenatchee Overlay
- 454 (b) Manson Region Overlay
- 455 (c) Peshastin Region Overlay
- 456 (c) Residential zones in the Manson Urban Growth Area
- 457 (d) Residential zones in the UGAs assigned to the cities of Chelan, Entiat,
- 458 Leavenworth, or Wenatchee

459 (ii) Exceptions to Density Limits:

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

464 *Options A, B, C, and D*

- 465 (a) Where such units are consistent with this section, density limits do not apply short-term
- 466 rentals in the Rural Recreational/Residential (RRR) zone, or Planned Unit Development
- 467 Overlay Districts expressly permitting short-term rentals, or Master Planned Resorts
- 468 Overlay Districts.
- 469 (b) New short-term rentals may be established in the locations cited in subsection (2)(E)(i) if
- 470 the combined percentage of Tier 2 and Tier 3 short-term rentals as a share of total
- 471 dwelling units is less than five percent (5%) and the applications meet all requirements of
- 472 this section 11.88.280 as determined by the Director.² Total dwelling units must be

² 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.

473 determined based on the latest annual count of total housing units by the State of
474 Washington Office of Financial Management. Short-term rental percentages must be
475 determined at the time the number of allowed short-term rentals is determined per
476 subsections (2)(B) and (3) of this section.

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

480 (a) That similar uses were allowed in the subject zones at the time the short-term
481 rental was established, including but not limited to: bed and breakfast, guest inn,
482 boarding house, lodging facility, hotel/motel, or other transient accommodation;
483 and³

484 (b) That a location was used for short-term rental purposes during January 1,
485 2019 to XXX [effective date]. The Director may permit homes with approved
486 building permits after January 2019, constructed within six months of the effective
487 date of this ordinance to be considered as an existing short-term rental; and

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

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

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

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

497 (iv) Nonconforming Short-Term Rental Units in Restricted Zones: Where a zone does not
498 allow short-term rental units as of XXX [effective date] according to CCC Sections
499 11.04.020, 11.22.030, or 11.23.030, only those short-term rentals that exist as of XXX
500 [effective date] and are compliant with criteria in subsection (iii) above, will be allowed as
501 nonconforming uses. Such uses may not be significantly changed, altered, extended, or
502 enlarged and must cease after two years from XXX [effective date]. After expiration or
503 revocation of the permit authorizing a legal nonconforming short-term rental, no operator
504 shall operate a short-term rental.

505 (3) SHORT-TERM RENTAL STANDARDS

506 (A) Primary or Accessory Residence. Short-term rentals must be operated out of an owner's main
507 house or a legally established accessory dwelling unit. In no case, shall an owner or operator

³ See CCC 11.04. Generally Bed and Breakfasts are allowed in all rural residential zones and resource zones as accessory uses, and guest houses are conditional use permits in the same zones except they are not allowed in commercial forest zones (FC). Lodging facilities are allowed in the RC zone.

508 make available a recreational vehicle, tent, or other temporary or mobile unit for short-term
509 rental.

510 (B) Occupancy.

511 (i) Overnight Occupancy. The owner or operator must limit overnight occupancy to no more
512 than two guests per bedroom, not to exceed a total of 10 guests including children.
513 Occupancy limits must comply with the International Residential Code.

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

516 *Option H*

517 (i) Overnight Occupancy. The owner or operator must limit overnight occupancy to no more
518 than two guests per bedroom, not to exceed a total of 12 guests including children.
519 Occupancy limits must comply with the International Residential Code.

520 (ii) Daytime Occupancy. At no time shall the total number of persons at a short-term rental
521 exceed 12 persons, including children.

522 *Option I*

523 (i) Overnight Occupancy. The owner or operator must limit overnight occupancy to no more
524 than two guests per bedroom, not to exceed a total of 12 guests , excluding children
525 under six years old. Occupancy limits must comply with the International Residential Code.

526 (ii) Daytime Occupancy. At no time shall the total number of persons at a short-term rental
527 exceed 12 persons, excluding children under six years old.

528
529 (iii) Exceeding Nighttime or Daytime Occupancy. In order to exceed daytime or nighttime
530 occupancy limits an operator must obtain a Conditional Use Permit provided that the zone
531 allows short-term rentals as an accessory, permitted, or conditionally permitted use and
532 meets all other short-term rental requirements of this section.

533 *Option P*

534 (iii) Exceeding Nighttime or Daytime Occupancy. In order to exceed daytime or nighttime
535 occupancy limits an operator must obtain a Conditional Use Permit provided that the zone
536 allows short-term rentals as an accessory, permitted, or conditionally permitted use and
537 meets all other short-term rental requirements of this section. All applicable criteria of
538 CCC Chapter 11.93 shall be met.

539 (C) Parking.

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

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

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

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

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

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

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

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

569 *Option M*

570 (I) Fire Safety and Outdoor Burning. Each owner or operator must include a fire protection plan in
571 their property management plan in subsection (3)(K) to alert renters to respect firewise efforts on
572 a property, or to comply with travel or activity restrictions of CCC Chapter 7.52, Fire Hazard
573 Areas. **The fire protection plan shall demonstrate consistency with a Ready Set Go program or**
574 **equivalent.** This includes, but is not limited to, restricting use of outdoor fire places or grills and to
575 properly secure and restrict portable barbeques.

576 (J) Qualified Person.

577 (i) The owner or operator must provide the name, telephone number, address, and email
578 of a qualified person (which can be a person or company) who can be contacted
579 concerning use of the property and/or complaints and can respond to the property within
580 60 minutes to complaints related to the short-term rental consistent with the requirements
581 of this section. The owner or operator must provide a valid telephone number where
582 qualified person can be reached 24 hours per day, every day.

583 (ii) The owner or operator must post a sign of similar materials and dimension as
584 subsection (3)(G) with the contact information of the qualified person. If the permanent
585 contact information changes during the permit period, the new information must be

586 changed on the sign. Renewal applications must provide evidence of the sign. The Director
587 may allow annual mailings to neighboring properties and an interior posted notice for
588 tenants in lieu of an exterior sign where a property’s size and visibility make an exterior
589 sign ineffective. The purpose of this sign is so that adjacent property owners and residents
590 can contact a qualified person to report and request resolution of problems associated
591 with the operation of the short-term rental.

592 (K) Property Management Plan. Short-term rentals must maintain an up-to-date property
593 management plan on file with the Chelan County Community Development Department and
594 property owners within 300 feet of parcel boundaries within which the short-term rental is
595 located. The property management plan must include the following:

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

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

603 (iii) Designate a qualified person and provide contact information consistent with (3)(j) ;
604 and

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

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

609 (vi) The plan must identify the method by which the owner/operator will notify renters of
610 emergency or temporary conditions such as burn bans.⁴

611 (vii) The plan must specify the maximum number of guests and number of bedrooms.

612 (viii) The plan must be kept up to date at the time of the annual permit and include the
613 annual permit number per subsection (L).

614 (ix) The plan must include the Good Neighbor Guidelines per subsection (M).

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

618 (M) Good Neighbor Guidelines. Owners and operators must acknowledge receipt and review of
619 a copy of the good neighbor guidelines. Owners and operators must provide evidence that the
620 good neighbor guidelines have been effectively relayed to short-term rental tenants, by

⁴ The Planning Commission discussed adherence to health guidelines such as 24 hours between guests and determined that standards of cleanliness are likely beyond the scope of a land use permit (and may be self-regulating as guests would likely use short-term rentals where an owner/operator strives to demonstrate voluntary measures to provide for health). This provision to ensure that emergency or temporary conditions are communicated to guests by the owner/operator/qualified person could encompass health if there was an emergency health district order.

621 incorporating it into the property management plan, and rental contract, posting it online,
622 providing it in a conspicuous place in the dwelling unit, or a similar method.

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

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

628 (4) LAND USE PERMITS

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

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

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

635 Option O

636 (C) Permit Applications. Short-term Rental owners must apply for a land use permit to establish
637 compliance with this code. Fees consistent with CCC 3.24.010 must be paid. The Director may
638 waive the initial Tier 3 permit if the applicant provides written and notarized proof that an
639 approval was granted by Chelan County prior to the effective date of this code.

640
641 (D) Application Acceptance and Evaluation.

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

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

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

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

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

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

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

670 (ii) Water and Wastewater. The Chelan-Douglas Health District must inspect the short-term
671 rental to ensure that there is a verifiable legal source of water that meets applicable
672 standards, and an approved on-site sewage disposal system, except as provided under
673 subsections (H)(iii) and (H)(iv).

674 *Option K*

675 (iii) Hot Tubs or Pools. The Chelan-Douglas Health District must inspect new hot tubs or
676 pools. Existing and new hot tubs and pools shall be annually monitored by either the
677 District or a third-party inspector. Water quality shall be consistent with Chapter 246-260
678 WAC and Chapter 246-262 WAC.

679 *Option L*

680 (iii) Hot Tubs or Pools. For Tier 2 or Tier 3 permits, the Chelan-Douglas Health District must
681 inspect new hot tubs or pools and monitoring existing ones annually . Water quality shall
682 be consistent with Chapter 246-260 WAC and Chapter 246-262 WAC.

683

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

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

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

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

696 (I) Only one transfer of ownership is allowed, and the short-term rental is limited to a three-year
697 operational period provided all permits per subsection (4) are obtained. A transfer occurs when
698 the property is sold to a person or when officers of corporations are changed to remove former

699 officers and add new officers. At the time of the only transfer, all permits shall include the
700 following provision: “This permit shall automatically expire upon sale or transfer of the property,
701 or three years, whichever comes first.” After a single transfer, the short-term rental permit is no
702 longer valid after the land use permit expiration date. The operator must obtain a new short-term
703 rental permit compliant with this section following expiration or cease operation. New owners must
704 certify compliance with the conditions of permit approval within 90 days after the closing date of
705 the sale of the property. Written certification must be submitted to the Community Development
706 Department on forms specified by the Director. New owners must apply for a new permit by the
707 annual deadline.

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

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

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

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

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

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

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

719 (5) ENFORCEMENT

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

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

724 (6) MONITORING

725 The Director shall report to the Board of County Commissioners on the status of short-term rental
726 regulation implementation annually at the time the existing short-term baseline is reported per (4)(D). The
727 County may initiate a review or amendment pursuant to Chapter 14.13.

728 *Option P*

729 Chapter 11.93 Conditional Use Permits

730 11.93.450

731 All short-term rental applications requiring a conditional use permit shall be consistent with CCC 11.88.

732 Chapter 3.24 Community Development Department Fees

733 3.24.010 FEE SCHEDULE.

734 (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>

735 Definitions

736 14.98 DEFINITIONS

737 **14.98.1410 Person.**

738 "Person" means any individual, firm, association, partnership, corporation, or any entity, public or private.
739 For the purposes of short-term rental regulations, person is defined consistent with in RCW 82.04.030.

740 Option Q

741 **14.98.1632 Room**

742 For the purposes of CCC 11.88, a "room" means either enclosed or open areas within a structure being
743 used as a Short Term Rental that provides sleeping accommodations such as mattresses, beds, sofa
744 sleepers, roll away beds, day/trundle beds, bunkbeds, murphy beds, etc.

745 **14.98.1692 Short-Term Rental**

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

753 **14.98.1693 Short-Term Rental Operator**

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

758 **14.98.1694 Short-Term Rental Owner**

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

765 **16.20. SHORT-TERM RENTAL ENFORCEMENT AND VIOLATIONS**

766 **16.20.010 Compliance**

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

769 **16.20.020 Enforcement Procedures, Notices, and Citations**

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

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

777 (3) Citations must be issued consistent with Chapter 16.08, provided that citations may be issued on-site
778 at the discretion of the code compliance officer if a violation of Short-Term regulations in Titles 11 and
779 14 CCC occurs. Alternatively, the citation may be accomplished in another manner consistent with Title 16.

780 *Option N*

781 (4) Persons filing complaints must submit forms provided by the Director. Such forms should include, but
782 are not limited to violation date and time, nature of complaint, name address and phone number of
783 complainant. Persons filing the complaint shall provide videos, recordings, or sound meters, to validate
784 and substantiate the complaint.

785 **16.20.030 Civil Penalties**

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

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

791 **16.20.030 Revocation**

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

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

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

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

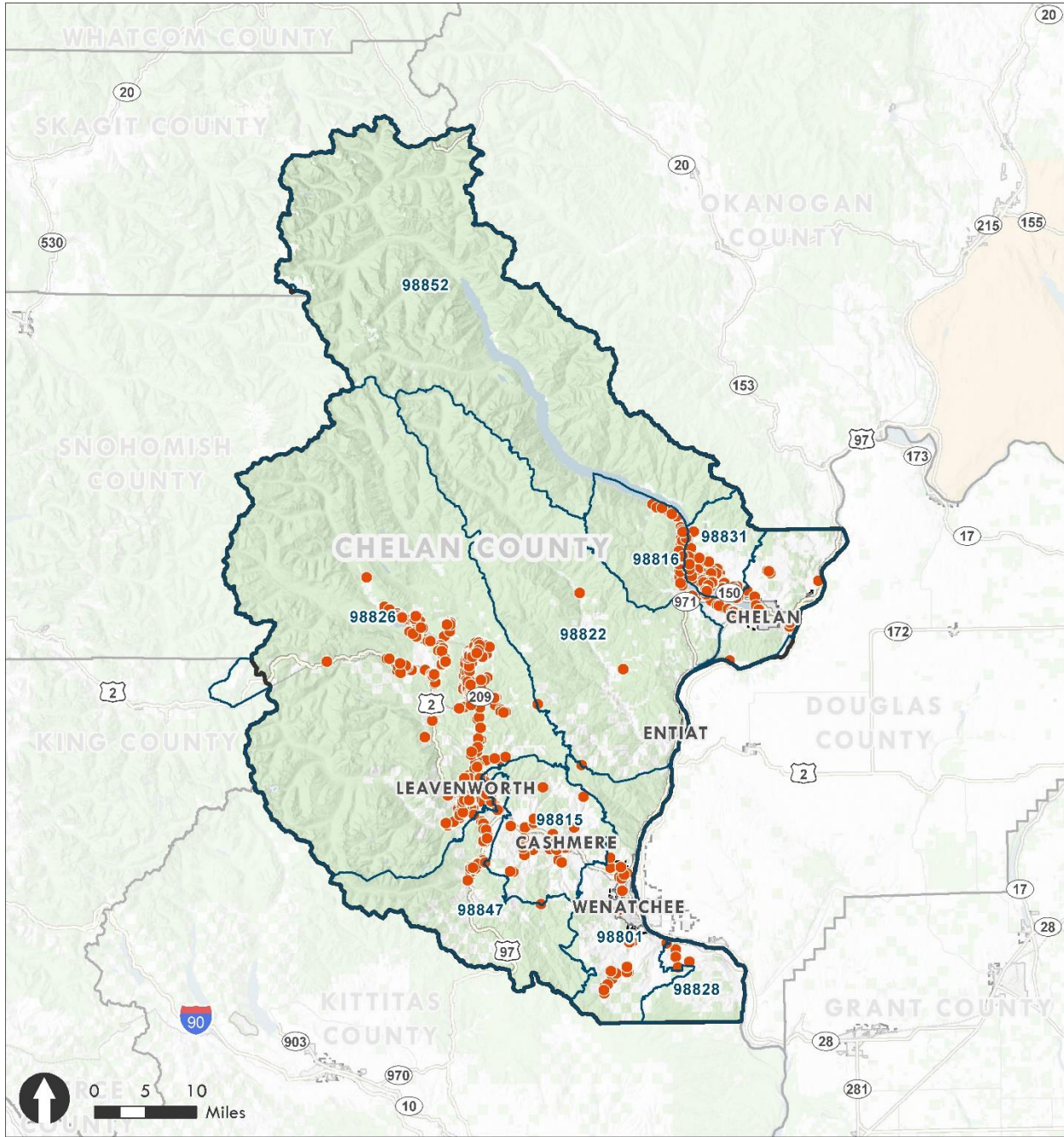
801 (C) The discovery of material misstatements or providing of false information in the short-term
802 rental land use permit application or renewal process is grounds for immediate revocation of the
803 permit.

804 (D) Such other violations of Titles 11, 14, and 16 of sufficient severity in the reasonable judgment
805 of the Administrator,⁵ so as to provide reasonable grounds for immediate revocation of the land
806 use permit.

807 (E) If three violations are verified under subsection (D) at any time during a twelve-month period,
808 the penalty shall be revocation in addition to any required civil penalties under 16.20.030.
809

⁵ 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

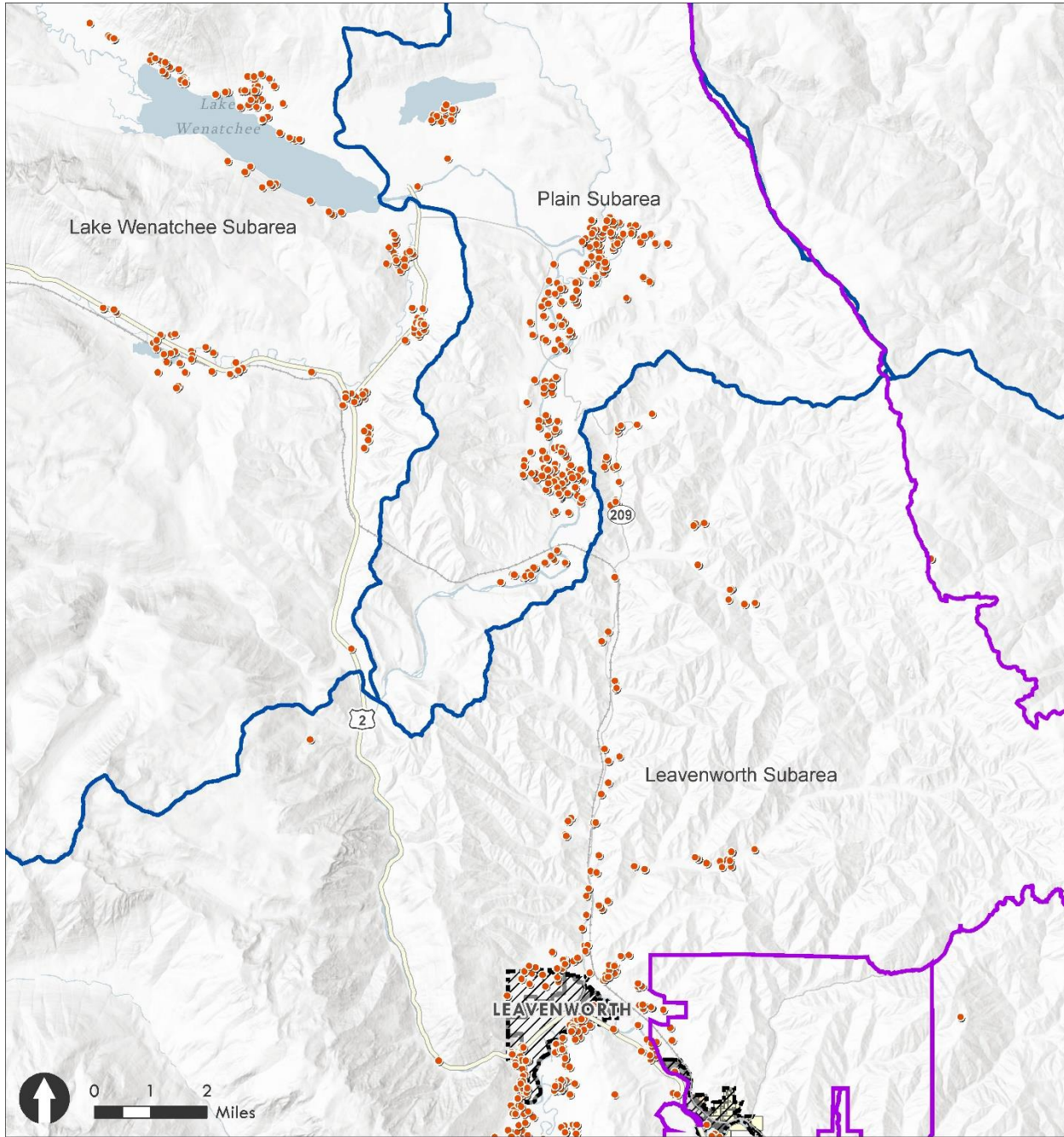
- Short-term Rentals (est. 1,200 active)
- ZIP Code Boundaries



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

Attachment B: Leavenworth-Lake Wenatchee Subareas



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.

Source: Chelan County GIS, AirDNA, BERK 2020