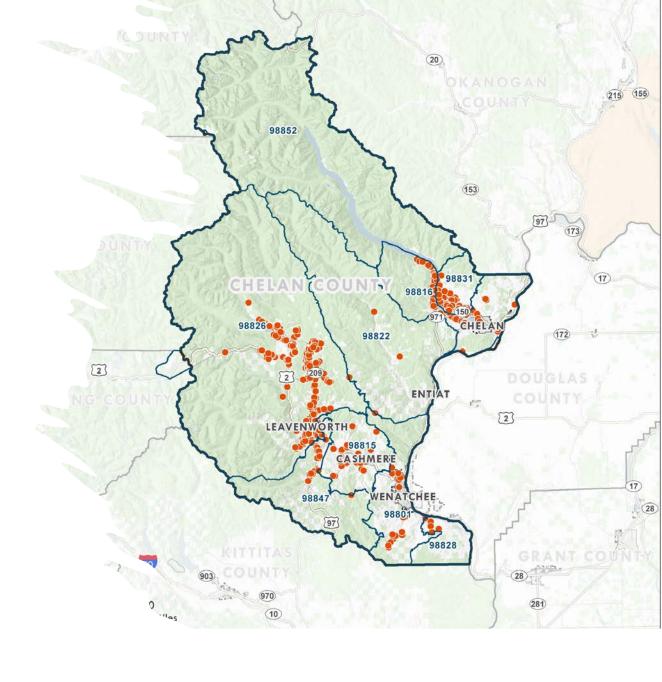
# Short-Term Rentals

Chelan County Planning Commission Remand of draft code for further consideration September 23, 2020





### Overview

- Process & Schedule:
  - BOCC "Vision Statement" Removed for Consideration
  - Planning Commission Revisit of July 9, 2020 Final Recommended Draft STR Code
  - Planning Commission Review, Possibly Further Edit, Deliberate then Vote on "New" Draft Code
  - Send "New" Draft Code to BOCC
  - Schedule considerations... (if not completed tonight)
- Next Steps



Step 1.

Target: March-April 2020

Develop Situation Assessment

Develop Code Options

Step 2. Target: April-June 2020

> Planning Commission (PC) Study Session

PC Public Hearing & Deliberation

Step 3. Target: July-Aug 2020

> Board of County Commissioner (BOCC) Work Session(s)

BOCC Public Hearing & Deliberation & Decision

Remanded back to PC

### Process now continues

Step 4.
Target: September-? 2020

Planning Commission (PC) Public Hearing

PC Review, (Edit) & Deliberation

Step 5.
Target: Oct-Nov 2020

Board of County Commissioner (BOCC) Work Session

BOCC Public Hearing & Deliberation & Decision

# Schedule

#### Planning Commission

- Hearing: September 9
- Deliberation: September 23 (and ?) and Decision

#### • BOCC

- Study Sessions
  - TBD
- Hearing: TBD

# Public Comment & Information

- Planning Commission Public Hearing June 17
  - Oral Testimony: <u>84 speakers over approx. 4 hours</u>
    - # connected but unable to communicate or silent: 13
    - # registered but not online when name was called: 90
    - # that did not have an opportunity to speak: 84
  - Zoom Participants: <u>271 total</u>
  - Written Comment Period <u>held open until June 19</u>
    - ~900 written comments
- Written Comments: May-July
  - ~1,545 pages of letters/emails

# Technology Used

- Adapted project website and email collection
  - Dedicated website
    - <a href="https://www.co.chelan.wa.us/community-development/pages/short-term-vacation-rentals">https://www.co.chelan.wa.us/community-development/pages/short-term-vacation-rentals</a>
  - Dedicated email
    - cd.strcomment@co.chelan.wa.us

# Code Outline

#### Use Allowance Amendments

- Chapter 11.04 District Use Chart
- Chapter 11.22 Peshastin Urban Growth Area
- Chapter 11.23 Manson Urban Growth Area

#### Supplementary Provisions And Accessory Uses

- Chapter 11.88
  - 11.88.280 Short-Term Rental Regulations (new)
- Conditional Use Permits
  - 11.93.450 (cross ref)
- **Fees** (outside of PC scope)
  - 3.24.010 Fee Schedule

#### Definitions

- 14.98
  - Person (amended)
  - Bedroom (new)
  - Short-Term Rental (new)
  - Short-Term Rental Operator (new)
  - Short-Term Rental Owner (new)

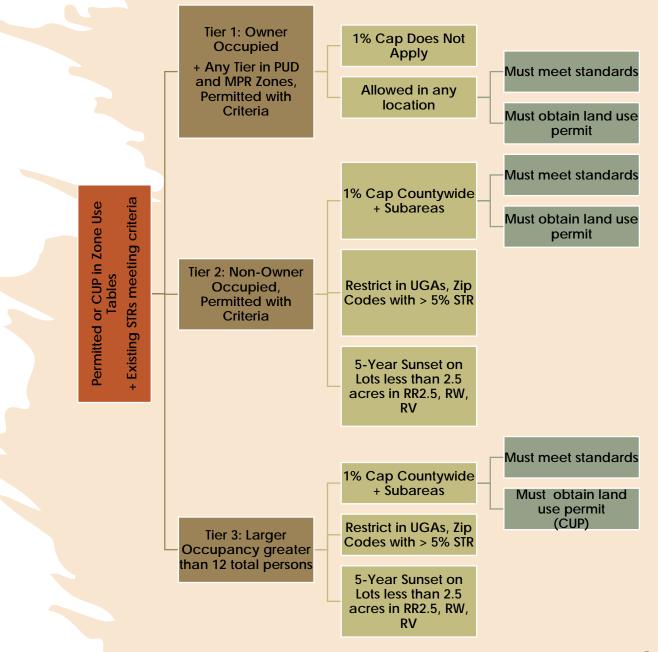
#### • Enforcement (outside PC scope)

- Title 16
- 16.20. Short-Term Rental Enforcement and Violations (new)

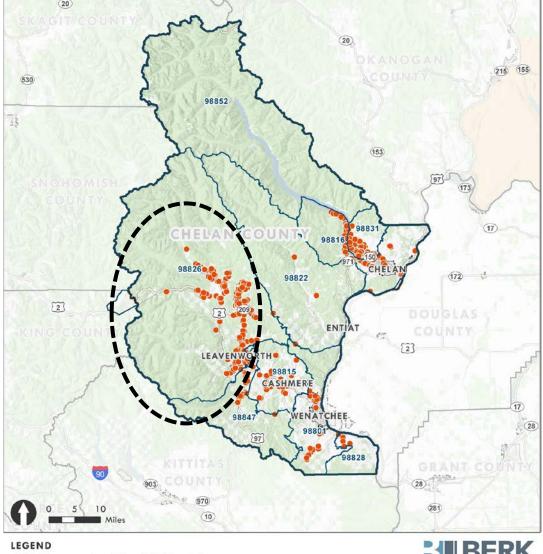
#### **Best Practices**

- Establish protections for the supply and affordability of housing
- Preserve neighborhood quality
- 3 Create protections for the wellbeing of guests
- 4 Establish oversight and complaint procedures for wellbeing of neighbors
- 5 Preserve public tax revenues and level the playing field
- Regular permitting & record keeping
- 7 Establish clear definitions

### Proposed Short-Term Rental Regulation Process



#### Boundary in Leavenworth-Lake Wenatchee Zip Code

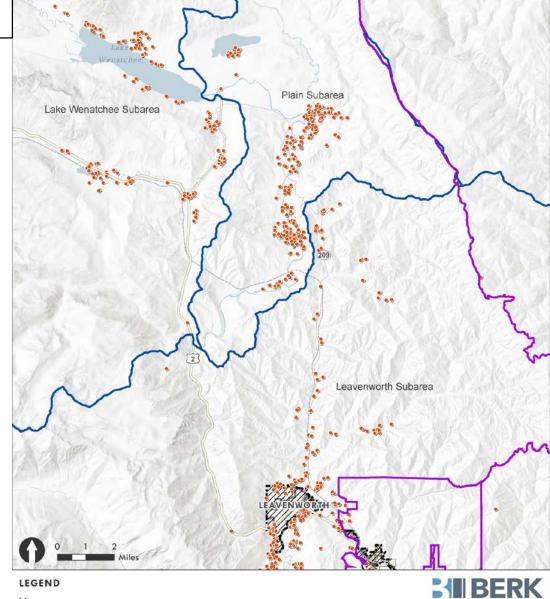


Short-term Rentals (est. 1,200 active)

**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.



// Urban Growth Areas

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

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: AirDNA, 2020.

# Existing Units

(iv) Nonconforming Short-Term Rental Units in Restricted 7ones:

Where a zone does not allow short-term rental units as of XXX [effective date] according to CCC Sections 11.04.020, 11.22.030, or 11.23.030,

only those short-term rentals that exist as of XXX [effective date] and

are compliant with criteria in subsection (iii) above, will be allowed as nonconforming uses.

Such uses may not be significantly changed, altered, extended, or enlarged and must cease after two years from XXX [effective date].

After expiration or revocation of the permit authorizing a legal nonconforming short-term rental, no operator shall operate a short-term rental.

#### (iii) Existing Short-Term Rentals: [All must show following]

- (a) That similar uses were allowed in the subject zones at the time the short-term rental was established, including but not limited to: bed and breakfast, guest inn, boarding house, lodging facility, hotel/motel, or other transient accommodation; and
- (b) That a location was used for short-term rental purposes during January 1, 2019 to XXX [effective date]. The Director may permit homes with approved building permits after January 2019, constructed within six months of the effective date of this ordinance to be considered as an existing short-term rental; and
- (c) That all applicable state and local taxes were fully and timely paid for all short-term rental use that occurred prior to XXX [effective date], which at a minimum includes sales tax and hotel/motel taxes; and
- (d) That the short-term rental meets all requirements of subsection (3); and
- (e) That the short-term rental operator has obtained the required land use permits in subsection (4); and
- (f) If located inside of the Manson Urban Growth Area, documentary evidence that the short-term rental was properly registered as a vacation rental with Chelan County per 11.23.040 as of XXX [effective date].

#### Task Force

- Voluntary
- Review effects of regulations and determine refinements or clarifications
- 24-36 months after passage of regulations
- Members:
  - 3 STR owners
  - 3 Homeowners
  - 2 Planning Commissioners
  - 1 CD Staff as Chair

The Chelen County Planning C

The Chelan County Planning Commission proposes to the Chelan County Board of Commissioners the forming of a voluntary Task Force in 24-36 months from the date of passage of the Chapter 11.88.280 Short Term Regulations. The purpose of the Task Force is to review the effects of the new regulations, and to determine if any refinement or clarification (of the code) needs to be made in order to address the performance and any issues that may have arisen during this 24-36 month period. Also, to assure that all aspects of the mission statement of May 20, 2020 issued by the Chelan County Board of Commissioners has been adequately addressed.

STR Task Force

Considering the complexity of the issue at hand, it is felt such a review and possible recommendations would and could be beneficial for the county and its citizens. It is expressly not the purpose of the Task Force to rewrite the document (code), but merely to review its performance and suggest fine tuning points if any are felt necessary.

The Task Force would be composed of:

- 1. 3 Owners of Short-Term Rental units
- 2. 3 Individual home homeowners (non-STR owner)
- 3. 2 Planning Commission Members
- 4. 1 Community Development staff designee as Chairperson

Thank-you for your consideration.

Respectfully,

Chelan County Planning Commission

20

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16

9/23/2020 12

# Examples

- Situation
   Assessment –
   March 30,
   2020
- Planning
   Commission
   packets –
   April to July
   2020

Feature	Okanogan Co	San Juan Co	Jefferson Co	Pacific Co	Bend, OR
Use Location Restrictions (P, CUP, X)	✓	✓	✓	✓	✓
Density Limits (Percent or Distance)			✓	<b>√</b> *	✓
Occupancy Limits	✓	✓		✓	✓
Solid Waste, Signage, Parking, Noise, Property Management, Qualified Person, etc.	✓	✓	✓	✓	✓
Permit System (annual)	✓	✓		✓	✓
Inspections	✓		✓	✓	✓

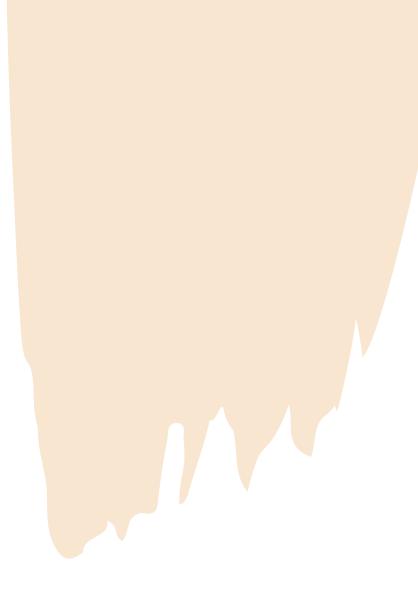
<sup>\*</sup>Proposed. Pacific County is in moratorium to develop more STR rules due to proliferation.

### Discussion/Direction

#### For schedule and info:

https://www.co.chelan.wa. us/communitydevelopment/pages/shortterm-vacation-rentals

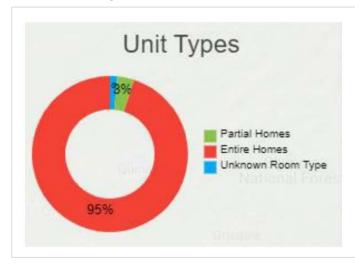
# Appendix: Background Information

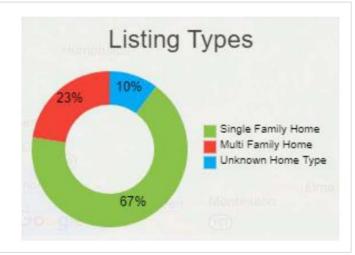


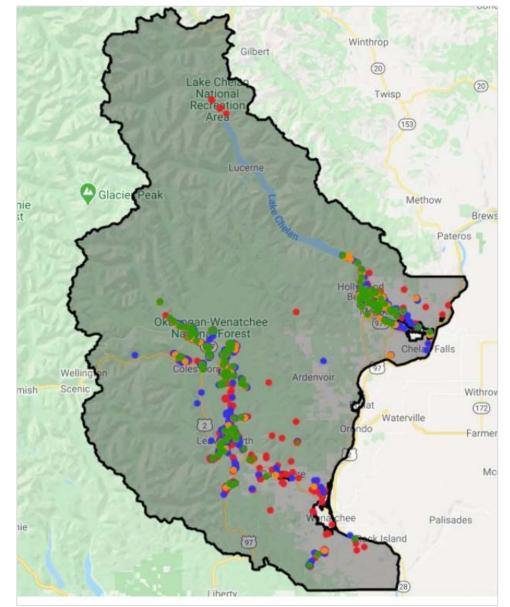
# Background Information - STRs

- 1,535 unique rental units as of March 2020.
- Most short-term rentals are offered as entire homes, and most are single-family in format.

#### Host Compliance, March 2020

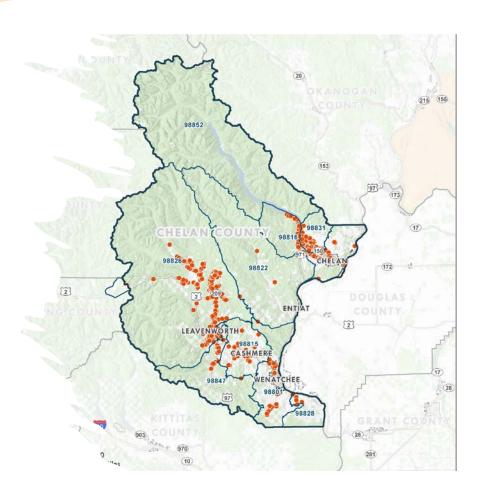






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## Data Available for STR Evaluation



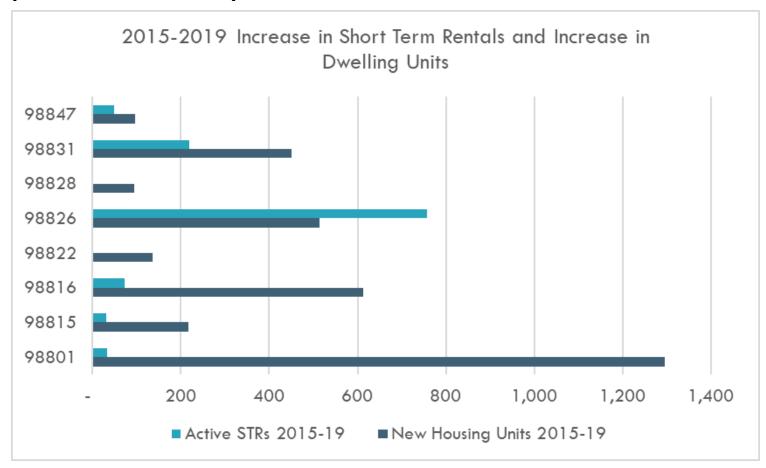
#### AirDNA

- Addresses AirBNB & Home Away
- Over 1,300 units as of January 2020
- Majority of Units in Host Compliance Data
- Reviewed growth and location information

7/21/2020 17

# Background: Share of STRs

#### Unincorporated Chelan County Entire Home Short-Term Rentals as Share of Total Housing Units



7/21/2020 18

# Whole Home STRs Air D.N.A, Jan 2020

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

Notes: \*Includes housing on Wapato - about 83 in Manson

7/21/2020

<sup>\*\*</sup>Slightly different counts of entire units comparing property-based data to monthly rental data. | Acronym - LTM = last 12 months

#### Whole Home STRs and Bedrooms Air DNA, Jan 2020

Zip Code Area	Number of Bedrooms										Grand	
	0	1	2	3	4	5	6	7	8	10	12	Total
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

<sup>\*</sup>Includes housing on Wapato - about 83 in Manson

7/21/2020

# 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%	

7/21/2020 21

# Occupancy

# AirDNA January 2020 - Unincorporated County by Zip Code

\*Includes housing on Wapato - about 83 in Manson

				Zip Code	e Area				
Max Guests	Cashmere	Chelan	Entiat	Leavenworth	Malaga	Manson*	Peshastin	Wenatchee	Grand Total
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