

Chelan County Short-Term Rentals

Planning Commission Recommendations October 15, 2020 | [BOCC Options November 2, 2020](#)

Introduction

A short-term rental refers to a residential dwelling rented out on a nightly basis for less than 30 days to individual guests. It could be a whole home or just part of it. Short-Term Rentals are found across the county, but particularly in the Leavenworth-Peshastin area, Lake Wenatchee, Manson, and Chelan. The number of short-term rentals has increased rapidly in the last six years especially in Leavenworth and Manson areas.

Chelan County has been considering how to best address short-term rentals to allow for property owner income while protecting the character of residential communities across the county.

In 2019 Chelan County considered draft regulations. The Planning Commission and Board of County Commissioners heard comments and felt proposals did not meet the County's and community's needs, and denied the 2019 draft.

The Board of County Commissioners desire to look at new code options in 2020. The process includes: development of a situation assessment; development of code options; Planning Commission review, hearing, and recommendations; and Board of County Commissioner review, hearing, and decision.

The Chelan County Planning Commission met seven times over April to July 2020 to develop draft short-term rental regulations, with a hearing on June 17, 2020 and deliberations on June 24 and July 9, 2020.

The Board of County Commissioners met in July and August 2020 to consider the Planning Commission Recommendations. The Board remanded the short-term rental code back to the Planning Commission for reevaluation in September 2020 including a new hearing and deliberation.

The Planning Commission held a public hearing on September 9, 2020 on their recommendations developed July 9, 2020. The Planning Commission held deliberations on September 23, 2020 and on October 15, 2020. They made revised recommendations on October 15, 2020 reflected in this document. [Also reflected in this document are options to address the BOCC discussion on October 28, 2020, shaded in green.](#)

Data on short-term rentals and the evolution of the draft code can be found at:

- Project website: <https://www.co.chelan.wa.us/community-development/pages/short-term-vacation-rentals>. Public comments received through the review process are posted at the project website.
- Planning Commission packets are located at this link: <https://www.co.chelan.wa.us/community-development/pages/planning-commission>.

Planning Commission Recommendations

Planning Commission recommendations are illustrated in Exhibit 1 and described below.

- 34 ■ **Zones Allowed:** A short-term rental owner/operator would determine if the zoning district permits
35 or conditionally permits a short-term rental. Tier 1 owner-occupied short-term rentals are permitted
36 in most zones in the County provided they meet operational standards and obtain a land use permit.
37 Tier 2 short-term rentals are non-owner occupied, and are permitted but are further restricted on
38 smaller lots in certain zones with a sunset clause grace period, or limited in numbers in areas where
39 there is a high concentration of existing short-term rentals. Tier 3 short-term rentals are those with
40 larger occupancies (over 12 total guests) and would require conditional use permits and have similar
41 restrictions on locations and numbers as Tier 2.
- 42 ■ **Number Allowed:** New non-owner-occupied units (Tier 2) and larger occupancy short-term rentals
43 (over 12 guests; Tier 3) would be limited in number to 1% of existing compliant short-term rentals
44 documented countywide. The Tier 2 and Tier 3 short-term rentals could locate in unincorporated
45 areas except for zip codes, overlay zones, and Urban Growth Areas (UGAs) with more than 5%
46 short-term rentals as a share of total units.¹ See Attachment A for a map of zip codes, and
47 Attachment B for a map of the Leavenworth-Lake Wenatchee subareas. These areas are referenced
48 in relation to the restrictions on locations where short-term rentals make up more than 5% of the
49 housing stock. Also, due to community preferences and concern over neighborhood quality, new short-
50 term rentals would be limited in Peshastin and Manson UGAs particularly in residential zones. Tier 1
51 includes developments specifically designed for short-term rentals (e.g. Planned Unit Developments
52 and Master Planned Resorts) are not subject to the cap.
- 53 ■ **Operational Standards:** Tier 1, 2, or 3 units would be required to meet standards such as occupancy,
54 parking, noise, solid waste, pool/hot tub monitoring, adequate sewer and water, fire preparedness,
55 access to a qualified person within 60 minutes, establishing a property management plan, etc.
- 56 ■ **Existing Units:** Existing short-term rentals established prior to the effective date of the code August
57 25, 2020, would need to meet criteria regarding use allowances in their zones (locating in a zone
58 that allowed for a similar use such as a bed and breakfast), use as a short-term rental, proper
59 payment of taxes, and compliance with operational standards. Permits would need to be obtained
60 as well. Where existing units are in the RR2.5 and RV zones but are on lots less than 2.5 acres, there
61 is a 5-year sunset clause grace period. Where existing units are in a zone that prohibits them, there is
62 a 2-year sunset clause period.
- 63 ■ **Permit Process:** Once compliant numbers of existing units are established through a land use permit
64 process, the 1% cap of new units would be determined. Then new units could be permitted. The first
65 permit would require inspections and more detailed review, but annual renewal would be based on

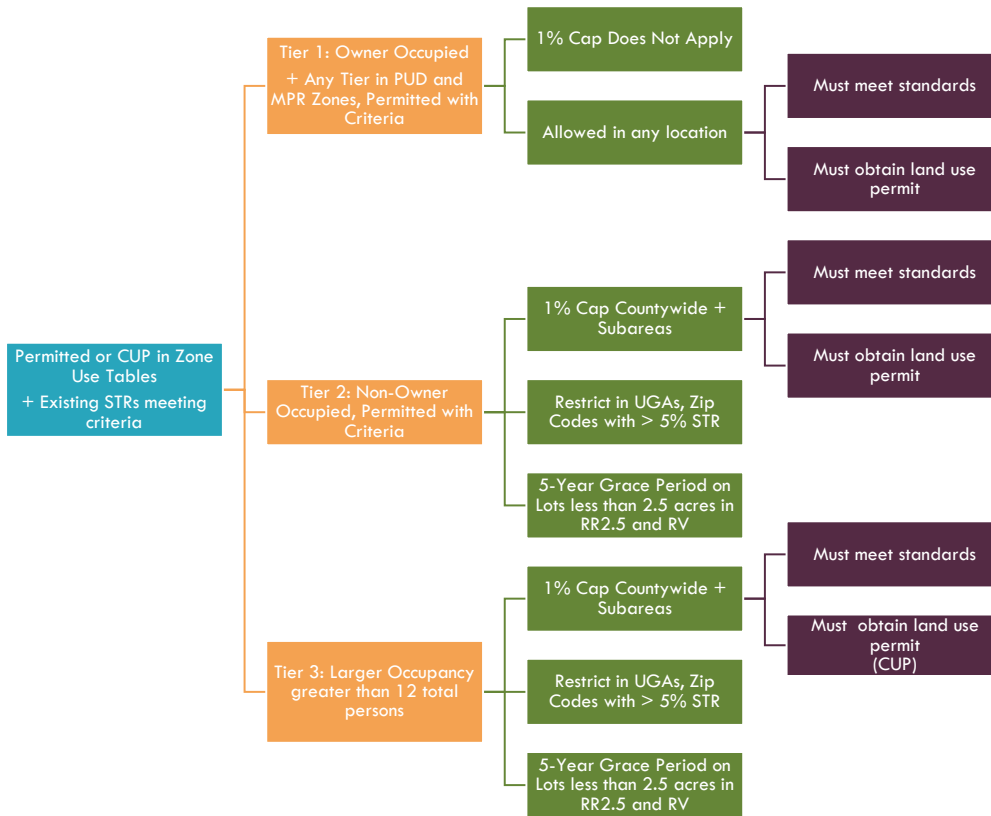
¹ The threshold share of short-term rentals is 5% of the total housing stock which is similar to a recommendation in a study of Oregon jurisdictions that found that where short-term rental growth and household formation is increasing at a faster rate than total housing unit growth there can be a constraint on housing affordability. See copy of study hosted by the City of Olympia's website: <https://engage.olympiawa.gov/4076/documents/5992>.

The rate of short-term rental growth has been occurring faster than new home construction in the Leavenworth Zip Code within unincorporated areas. The Zip Codes with greater than 10% share of short-term rentals compared to total dwellings within unincorporated areas include: Leavenworth (15.6%) and Manson (11.2%). Peshastin Zip Code is at 5.5%. Chelan is 3.9% and others are less than 2%. These percentages are based on whole house rentals and are corrected to exclude housing inside city limits. The number where only a room is offered is < 100. See Attachment D for the updated information.

The date of the moratorium on short-term rental uses in Resolution 2020-36: https://www.co.chelan.wa.us/files/communitydevelopment/documents/STR_Short_Term%20Rental%20Moratorium.pdf.

66 self-certification and a more abbreviated review. Fees would be set to recover costs of permit
67 reviews and inspections such as by the fire marshal, health district, etc.

68 **Exhibit 1. Proposed Short-Term Rental Regulation Process.** [addressed grace period](#)
69 [see separate options for use chart and permits which could alter this chart](#)



70

71 Task Force

72 In addition to the permitting and code compliance standards in the proposed regulations, the Planning
73 Commission has recommended a Task Force be formed to review the effectiveness of the regulations
74 after a 2 to 3 year period. It would have nine members.

75 See Attachment C.

November 2, 2020

76 **Schedule**

77 The Board of County Commissioners will take up the Planning Commission recommendations and conduct
78 their own study sessions and a hearing and determine how to regulate short-term rentals. More
79 information about the schedule can be found at the project website:
80 <https://www.co.chelan.wa.us/community-development/pages/short-term-vacation-rentals>
81

82 **Chelan County**
 83 **Draft Short-term Rental Code**

84 **DRAFT October 15, 2020 | Planning Commission Recommendations**

85 **Use Allowance Amendments**

86 **CHAPTER 11.04 DISTRICT USE CHART**

87 **11.04.020 District Use Chart**

88 The use chart located on the following pages is made a part of this section. The following acronyms apply
 89 to the following use chart. If a cell in the table is blank, the use listed in the left hand column is a
 90 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
- (3)** **On lots 2.5 acres or smaller the short-term rental shall** ~~be subject to a time~~ **within 5 years of** ~~XXX effective date August 25, 2020~~
- 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

91 **District Use Chart**

92 **see separate options for use chart and permits which could alter this chart**

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

93 **CHAPTER 11.22 PESHASTIN URBAN GROWTH AREA**

94 **11.22.030 Permitted, Accessory and Conditional Uses**

95 (1) A district use chart is established and contained herein as a tool for the purpose of determining the
 96 specific uses allowed in each use district. No use shall be allowed in a use district that is not listed in the

97 use chart as either permitted, accessory or conditional use, unless the administrator determines, by a
 98 written administrative interpretation that may be appealed to the hearing examiner, that an unlisted use
 99 is similar to one that is already enumerated in the use chart and may therefore be allowed, subject to the
 100 requirements associated with that use and all other applicable provisions.

101 (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.

102

Districts:
 R-1 = Low Density Residential
 R-2 = Medium Density Residential
 R-3 = High Density Residential
 C-D = Downtown Commercial
 C-H = Highway Commercial
 I = Industrial
 I-C = Campus Industrial
 P-U = Public Use

103

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

104 ¹ In existing single-family residences only, as of July 1, 2008.
 105 ² Indoor facility only.
 106 ³ Per CCC 18.88.170 (4) In any district that permits single-family residences, the renting of rooms to not more than two
 107 boarders, roomers, or lodgers is permitted as an accessory use.

108 CHAPTER 11.23 MANSON URBAN GROWTH AREA

109 11.23.030 DISTRICT USE CHART.

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

UR1 Urban Residential-1

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

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

- 113 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

114 **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		

115 P¹ = Permitted with Standards

116 **11.23.040 STANDARDS.**

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

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

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

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

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

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

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

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

137 Enforcement. Any violation of the provisions of this chapter is punishable pursuant to Title 16.
138 Enforcement actions may be brought against the owner of the vacation rental home for the conduct
139 constituting the violation.

140 Short-Term Rental Standards

141 CHAPTER 11.88 SUPPLEMENTARY PROVISIONS AND ACCESSORY USES

142 11.88.280 Short-Term Rental Regulations

143 (1) PURPOSE

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

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

150 (C) The provisions of this chapter are necessary to meet the overall intent and requirements of the
151 Chelan County Comprehensive Plan including but not limited to:

152 (i) Land Use Element considerations of commercial and residential development that
153 provides sustainable economic opportunity while limiting localized sprawl, maintaining
154 community character, and providing employment opportunities for residents, and
155 anticipating future needs.

156 (ii) Housing Element goals and policies including, but not limited to, accessibility to
157 affordable housing for all residents, providing for a variety of residential housing types
158 and densities, and supporting regulatory changes that promote affordable housing
159 options in all locations in the county.

160 (iii) Rural Element goals and policies including, but not limited to, maintaining natural
161 environment features that support natural resource-based economic activities, wildlife
162 habitats, traditional rural lifestyles, outdoor recreation, and open space.

163 (2) TYPE, NUMBER, AND LOCATION

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

165 (i) Tier 1: Owner-occupied short-term rentals where either (a) rooms are rented and the
166 owner is personally present at the dwelling during the rental period, or (b) the short-term
167 rental is located within the same parcel as the owner's primary residence, or (c) the entire
168 dwelling is rented no more than 15 total days in a calendar year provided that an on-site
169 qualified person is there during the owner's absence. Portions of calendar days shall be
170 counted as full days.

71 (ii) Tier 2: Short-term rentals at a dwelling that is not the owner's principal residence or
72 not rented more than 15 total days in a calendar year, Tier 1 or Tier 3 short-term
73 rental.

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

176 (B) Number and Density

177 (i) Tiered Permits and Numbers Allowed.⁴

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

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

183 (1) Short-term rentals in the following zones are not subject to the 1% cap:
184 Planned Unit Development Overlay Districts expressly permitting short-term
185 rentals, or Master Planned Resorts Overlay Districts.

186 (2) The number of short-term rentals subject to the cap cannot be located
187 where short term rentals make up 5% or more of the total housing stock;
188 zip codes, urban growth areas, or the Leavenworth-Lake Wenatchee
189 Overlay or any subarea within the overlay. If allowed in the future by
190 paragraph (D), the number of short-term rentals subject to the cap cannot
191 exceed 1% of the total countywide short-term rentals or exceed 1% of
192 those located in the Leavenworth-Lake Wenatchee Overlay or any
193 subarea within the overlay.

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

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

201 (i) Section 11.04.020 applicable to all Rural and Resource Designations, except as limited
202 in Subsection (2)(B).

203 (ii) Section 11.22.030 applicable to the Peshastin Urban Growth Area, except as limited
204 in Subsection (2)(B).

205 (iii) Section 11.23.030 applicable to the Manson Urban Growth Area, except as limited in
206 Subsection (2)(B).

207 (iv) In city-assigned Urban Growth Areas, pursuant to a city's land use regulations,
208 development standards, and land use designations, where the County has adopted such

⁴ Editorial: Could move the (B)(i) to become title of (B) and renumber subsections accordingly.

209 pursuant to the County-City Memorandum of Understanding filed with the Chelan County
210 Auditor July 8, 1997; provided that, the County's review procedures in this subsection
211 11.88.280 must control. Goal – provide consistency. Reference city-specific codes?

212 (D) New short-term rentals may be established in the locations cited in subsection (2)(B) if the
213 combined percentage of Tier 2 and Tier 3 short-term rentals as a share of total dwelling units is
214 less than five percent (5%) and the applications meet all requirements of this section 11.88.280
215 as determined by the Director.⁵ Total dwelling units must be determined based on the latest
216 annual count of total housing units by the State of Washington Office of Financial Management.
217 Short-term rental percentages must be determined at the time the number of allowed short-term
218 rentals is determined per subsections (2)(B) and (4) of this section.

219 (E) Existing Short-Term Rentals:

220 (i) A use shall not be considered lawfully established and existing as of the effective date
221 of this ordinance ~~XXX effective date~~ August 25, 2020 unless the owner proves all of the
222 following:

223 (a) That similar uses were allowed in the subject zones at the time the short-term
224 rental was established, including but not limited to: bed and breakfast, guest inn,
225 boarding house, lodging facility, hotel/motel, or other transient accommodation;
226 and⁶

227 (b) That a location was used for short-term rental purposes during January 1,
228 2019 to ~~XXX effective date~~ August 25, 2020. The Director may permit homes
229 with approved building permits after January 2019, constructed within six months
230 of the effective date of this ordinance to be considered as an existing short-term
231 rental; and

232 (c) That all applicable state and local taxes were fully and timely paid for all
233 short-term rental use that occurred prior to ~~XXX effective date~~ August 25, 2020
234 which at a minimum includes sales tax and hotel/motel taxes; and

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

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

238 (f) If located inside of the Manson Urban Growth Area, documentary evidence that
239 the short-term rental was properly registered as a vacation rental with Chelan
240 County per 11.23.040 as of ~~December 31~~ August 25, 2020.

241 (ii) Nonconforming Short-Term Rental Units in Restricted Zones: Where a zone does not
242 allow short-term rental units as of ~~XXX effective date~~ August 25, 2020 according to CCC
243 Sections 11.04.020, 11.22.030, or 11.23.030, only those short-term rentals that exist as
244 of ~~XXX effective date~~ August 25, 2020 and are compliant with criteria in subsection (i)

⁵ 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.

⁶ 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.

245 above, will be allowed as nonconforming uses. Such uses may not be significantly
246 changed, altered, extended, or enlarged and must cease after two years from ~~XXX~~
247 ~~effective date: August 25, 2020~~. After expiration or revocation of the permit authorizing
248 a legal nonconforming short-term rental, no operator shall operate a short-term rental.

249 (iii) See CCC 11.04.020. Within the RR2.5 and RV zones, short-term rentals on lots 2.5
250 acres or smaller shall ~~not be subject to a grace period~~ within 5 years of ~~XXX effective~~
251 ~~date: August 25, 2020~~.⁷

252 (3) SHORT-TERM RENTAL STANDARDS

253 (A) Primary or Accessory Residence. Short-term rentals must be operated out of an owner's main
254 house or a legally established accessory dwelling unit. In no case, shall an owner or operator
255 make available a recreational vehicle, tent, or other temporary or mobile unit for short-term
256 rental. ~~One or other but not both, maximum of one per parcel.~~

257 (B) Occupancy.

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

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

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

268 (iv) The number of bedrooms shall not exceed the number approved in relation to the on-
269 site sewage system approved by the Chelan-Douglas Health District.

270 (C) Parking.

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

273 (ii) The number of vehicles allowed at the short-term rental must be limited to the number
274 of bedrooms plus one; this requirement must be included in the Property Management Plan
275 per Section (3)(K).⁸

276 (D) Garbage. Trash containers must be provided. Trash must be in proper containers on collection
277 day. Where curbside recycling is available to the unit receptacles must be provided. Receptacles
278 must be set out on the right-of-way and removed within twenty-four hours of pickup. Trash must
279 be managed in compliance with CCC Chapter 4.04 Garbage. This requirement must be included

⁷ To match Planning Commission's recommendations on the use chart in CCC 11.04.020.

⁸ Consider cross referencing to parking code and placing parking requirement in Chapter 11.90.

280 in the Property Management Plan per Section (3)(K) and good neighbor guidelines per subsection
281 (3)(M).

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

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

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

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

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

301 (J) Qualified Person.

302 (i) The owner or operator must provide the name, telephone number, address, and email
303 of a qualified person (which can be a person or company) who can be contacted
304 concerning use of the property and/or complaints and can respond to the property within
305 60 minutes to complaints related to the short-term rental consistent with the requirements
306 of this section. The owner or operator must provide a valid telephone number where
307 qualified person can be reached 24 hours per day, every day.

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

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

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

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

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

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

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

334 (vi) The plan must identify the method by which the owner/operator will notify renters of
335 emergency or temporary conditions such as burn bans.⁹

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

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

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

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

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

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

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

⁹ 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.

353 (4) LAND USE PERMITS

354 (A) Land Use Permit Required. No short-term rental owner or operator may advertise, offer,
355 operate, rent, or otherwise make available or allow any other person to make available for
356 occupancy or use a short-term rental without a valid short-term rental land use permit issued by
357 the Director. All dwelling units on a single parcel shall be reviewed concurrently in the same
358 application.

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

360 (C) Permit Applications. Short-term Rental owners must apply for a land use permit to establish
361 compliance with this code. Fees consistent with CCC 3.24.010 must be paid. The Director may
362 waive the initial conditional use permit fee if the applicant provides written and notarized proof
363 that an approval was granted by Chelan County prior to the effective date of this code. All other
364 permit costs apply.

365 (D) Application Acceptance and Evaluation.

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

376 (ii) Within the first year of adoption of this code (effective date XXX, 2020 from August
377 25, 2020), the Director may provisionally approve initial short-term rental land use
378 permits subject to the owner completing a self-certification form provided that inspections
379 in subsection (4)(H) are accomplished prior to the first renewal thereafter.

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

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

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

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

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

394 (ii) Water and Wastewater. Each applicant for a short-term rental shall provide
395 documentation indicating they shall demonstrate to the satisfaction of the Director they have
396 a proper onsite sewage system meeting Health District standards for the occupancy has
397 been properly serviced or inspected in the prior year by a qualified person. The
398 applicant shall also ensure that there is a verifiable legal source of water that meets
399 applicable standards.

400 Hot Tubs or Pools. The Chelan-Douglas Health District must inspect new hot tubs or
401 pools. Existing and new hot tubs and pools shall be annually monitored by either the
402 District or a third party inspector. Water quality shall be consistent with Chapter 246-260
403 WAC and Chapter 246-262 WAC.

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

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

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

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

417 (I) A short-term rental permit shall not transfer; new owners may apply for a short-term rental
418 permit pursuant to the provisions of this code. A transfer occurs when the property is sold to a
419 person or when officers of corporations are changed to remove former officers and add new
420 officers. All permits shall include the following provision: "This permit shall automatically expire
421 upon sale or transfer of the property." The operator must obtain a new short-term rental permit
422 compliant with this section following expiration or cease operation. New owners must certify
423 compliance with the conditions of permit approval within 90 days after the closing date of the
424 sale of the property. Written certification must be submitted to the Community Development
425 Department on forms specified by the Director. New owners must apply for a new permit by the
426 annual deadline.

427 (i) A transfer occurs when the property is sold to a person or when officers of corporations
428 are changed to remove former officers and add new officers. A transfer does not occur
429 when officers are changed due to death where title is held in survivorship with a spouse or
430 a transfer on the owner's death to a trust which benefits only a spouse or child(ren) for the
431 lifetime of the spouse or child(ren). The survivor may not sell or transfer title, except that
432 title may transfer among the survivors. A transfer also does not occur when due to divorce
433 a former spouse's name is removed from the deed or corporation.

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

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

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

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

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

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

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

(5) ENFORCEMENT

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

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

(6) MONITORING

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

11.90.060 Required off-street parking.

(1) Parking space shall be provided as shown in Table 11.90-3 for the land uses listed. The number of required parking spaces shall be rounded upward to the nearest whole number if the calculation results in a fractional space requirement of one-half space or more.

(2) When parking standards require ten or more parking spaces twenty-five percent of the spaces may be compact spaces and shall be marked "COMPACT ONLY."

Table 11.90-3

Land Use	Required Off-Street Parking
Residential	
Single-family, two-family, and manufactured home parks	2 spaces per dwelling unit
Accessory dwelling unit, guest houses	1 additional space
Multifamily (3 or more units)	1-1/2 spaces per dwelling unit
Bed and Breakfasts and Guest Inns <u>and Short-Term Rentals</u>	1 space per bedroom and 1 space for manager
Institutional or group homes: nursing home, correctional, retirement	1 space per 5 beds and 1 space per staff person

Table 11.90-3

Land Use	Required Off-Street Parking
Medical Facilities	
Hospitals	1-1/2 spaces per bed
Medical or dental clinics and offices	1 space per 200 square feet
Public Assembly	
Auditoriums, gyms, clubs, lodges	1 space per 4 seats or 8 feet of bench
Churches, funeral homes	1 space per 4 seats or 8 feet of bench
Libraries, museums, galleries, municipal	1 space per 300 square feet
Schools	
Pre-school, daycare, kindergarten	0.07 pickup/drop-off spaces per enrolled student and 1 space per staff person
Elementary schools	0.05 parking spaces and 0.07 pickup/drop-off spaces per enrolled student
Junior high schools	0.08 parking spaces and 0.06 pickup/drop-off spaces per enrolled student
High school, vocational schools, colleges	0.20 parking spaces and 0.03 pickup/drop-off spaces per enrolled student
Commercial and Public Recreation	
Archery, gun, swimming and tennis clubs or similar use	0.3 parking spaces for every attendee
Bowling alleys	5 spaces per lane
Golf courses	2 spaces per each 100 yards length plus 1 space per 200 square feet of club house
Hotels, motels, resorts, lodging facilities	1 space per guest room or suite and 1/2 space per employee
Outdoor amusement area	0.3 spaces for every attendee
Sports field	1 space per participant (est. 45 participants per ball field)
Stadiums, arenas, theaters, race tracks	1 space per 4 seats or 8 feet of bench
Swimming pools, skating rinks, dance halls	0.3 spaces for every attendee
Commercial	
Banks, personal and professional services	1 space per 300 square feet of floor area
Eating and drinking establishments	1 space per 100 square feet of floor area
Retail	1 space per 300 square feet of floor area
Retail handling bulky merchandise	1 space per 600 square feet of floor area
Service and repair shops	1 space per 600 square feet of floor area
Industrial	
Auto salvage yard	5 spaces plus 1 space per each 2 acres
Manufacturing, assembly, freight terminal, wholesale, packing, storage, warehouse	1 space per employee at peak shift and 1 space per 300 square feet office space
Transportation terminals	1 space per 100 square feet waiting area

Chapter 11.93 Conditional Use Permits

11.93.450

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

Chapter 3.24 Community Development Department Fees

3.24.010 FEE SCHEDULE.

(a) Planning.

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

Definitions

See separate options for use chart and definitions.

14.98 DEFINITIONS

14.98.1410 Person.

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

14.98.1692 (Short-Term Rental) Grace Period

For the purposes of CCC 11.88, a "grace period" means a period of time beyond a scheduled date during which a required action may be taken without incurring the ordinarily resulting adverse consequences, such as a penalty or cancellation. (adapted from Webster's)

(OR) Additional time scheduled or allocated to complete a task, such as complying with a regulation, meeting an obligation, or obtaining an agreement. (from Black's Law Dictionary)

479 **14.98.1632 Bedroom**

480 For the purposes of CCC 11.88, a “bedroom” means either enclosed or open areas within a structure
481 being used as a Short Term Rental that provides sleeping accommodations such as mattresses, beds, sofa
482 sleepers, roll away beds, day/trundle beds, bunkbeds, murphy beds, etc.

483 **14.98.1692 Short-Term Rental**

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

491 **14.98.1693 Short-Term Rental Operator**

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

496 **14.98.1694 Short-Term Rental Owner**

497 “Owner” means any person who, alone or with others, has title or interest in any building, property,
498 dwelling unit, or portion thereof, with or without accompanying actual possession thereof, and including
499 any person who as agent, executor, administrator, trustee, or guardian of an estate has charge, care, or
500 control of any building, dwelling unit, or portion thereof. A person whose sole interest in any building,
501 dwelling unit, or portion thereof is solely that of a lessee under a lease agreement is not considered an
502 owner.

503 **16.20. SHORT-TERM RENTAL ENFORCEMENT AND VIOLATIONS**

504 **16.20.010 Compliance**

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

507 **16.20.020 Enforcement Procedures, Notices, and Citations**

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

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

515 (3) Citations must be issued consistent with Chapter 16.08, provided that citations may be issued on-site
516 at the discretion of the code compliance officer if a violation of Short-Term regulations in Titles 11 and
517 14 CCC occurs. Alternatively, the citation may be accomplished in another manner consistent with Title 16.

518 **16.20.030 Civil Penalties**

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

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

524 **16.20.030 Revocation**

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

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

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

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

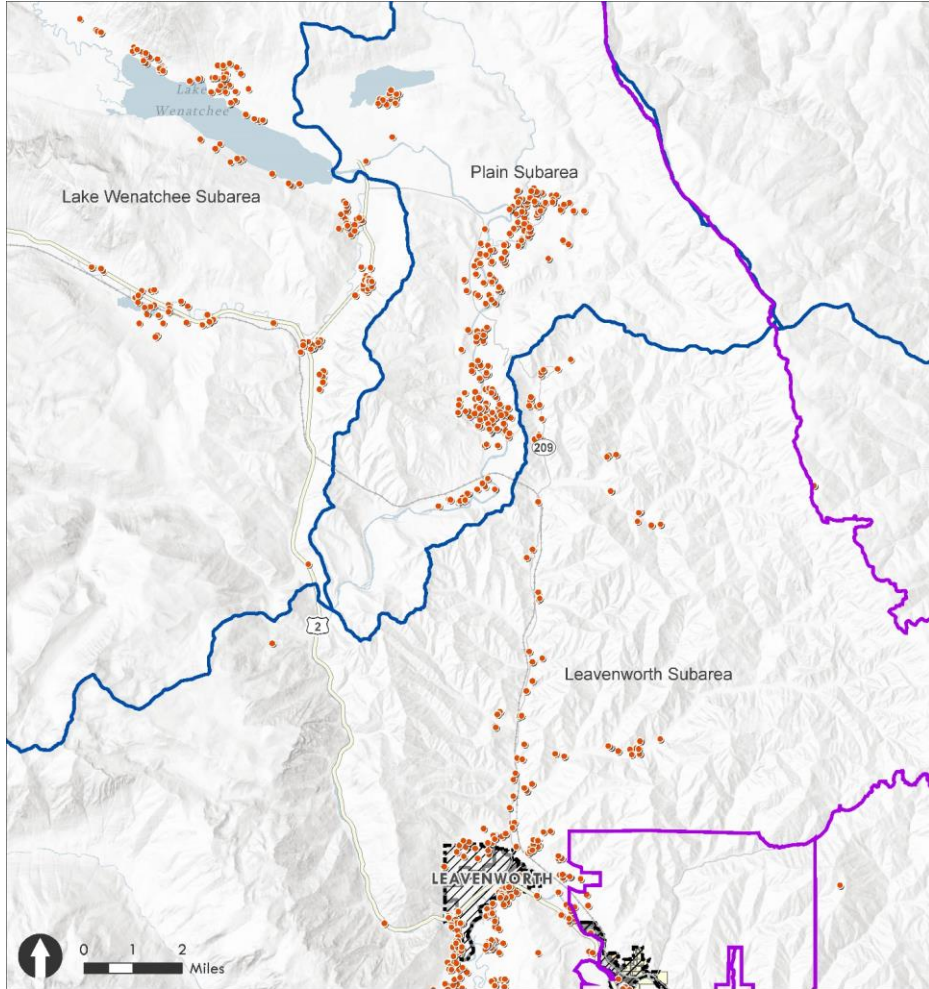
534 (C) The discovery of material misstatements or providing of false information in the short-term
535 rental land use permit application or renewal process is grounds for immediate revocation of the
536 permit.

537 (D) Such other violations of Titles 11, 14, and 16 of sufficient severity in the reasonable judgment
538 of the Administrator,¹⁰ so as to provide reasonable grounds for immediate revocation of the land
539 use permit.

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

¹⁰ 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.

545 **Attachment B: Leavenworth-Lake Wenatchee Subareas**



546

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.

547 Sources: Chelan County GIS, 2020. BERK 2020. Powered by AirDNA: <https://www.airdna.co>, 2020.

ATTACHMENT C: STR TASK FORCE

1 STR Task Force

2 The Chelan County Planning Commission proposes to the Chelan County Board of Commissioners the

3 forming of a voluntary Task Force in 24-36 months from the date of passage of the Chapter 11.88.280 Short Term

4 Regulations. The purpose of the Task Force is to review the effects of the new regulations, and to determine if any

5 refinement or clarification (of the code) needs to be made in order to address the performance and any issues that

6 may have arisen during this 24-36 month period. Also, to assure that all aspects of the mission statement of May 20,

7 2020 issued by the Chelan County Board of Commissioners has been adequately addressed:

8 Considering the complexity of the issue at hand, it is felt such a review and possible recommendations

9 would and could be beneficial for the county and its citizens. It is expressly not the purpose of the Task Force to

10 rewrite the document (code), but merely to review its performance and suggest fine tuning points if any are felt

11 necessary.

12 The Task Force would be composed of:

- 13 1. 3 - Owners of Short-Term Rental units
- 14 2. 3 - Individual home homeowners (non-STR owner)
- 15 3. 2 - Planning Commission Members
- 16 4. 1 - Community Development staff designee as Chairperson

17 Thank-you for your consideration.

18 Respectfully,

19 Chelan County Planning Commission

20
21
22
23
24
25
26
27
28 DRAFT

Commented [LG1]: strike lines 6 and 7 - remove mission stmt

Commented [LG2]: Form on passage.

Commented [LG3R2]: May set up TF and may extend from 12 up to 36 months

Commented [LG4]: Membership: PC workload

Commented [LG5R4]: Housing (trust or hsg auth), real estate, builder instead of PC. CD facilitator not chair or voting member.

Commented [LG6R4]: If 3 owners of STR and 3 homeowners (near STRs), 1 from each district. May select.

550 ATTACHMENT D: UPDATED SHORT-TERM RENTAL INFORMATION

551 Correct March 30, 2020 Situation Assessment: Account for city housing units: Exhibit 11, page 12

552 Does not change overall conclusions. While correcting for city dwellings, same Zip Codes exceed 5%
553 share of short-term rentals:

- 554 ■ Leavenworth (higher)
- 555 ■ Manson (no change)
- 556 ■ Peshastin (no change)

557 **Table D-1. Shares of Short-Term Rentals by Zip Code: Whole Home Short-Term Rentals**

Zip Code Community Name	Zip Code	Total Dwellings 2019	Total <u>Unincorporated</u> Dwellings 2019	January 2020 Active short- term rentals	% short-term rentals - Unincorporated
Leavenworth	98826	6,099	4,811	749	15.6%
Manson	98831	2,519	2,519	281	11.2%
Chelan	98816	5,333	2,492	97	3.9%
Peshastin	98847	956	956	53	5.5%
Wenatchee	98801	17,989	3,607	30	0.8%
Cashmere	98815	2,977	1,785	28	1.6%
Malaga	98828	908	908	5	0.6%
Entiat	98822	1,138	551	4	0.7%
Various	Various	836	836	0	0.0%
Total		38,672	18,466	1,247*	6.8%

558 Note: * Entire home/apartment.

559 Sources: Powered by AirDNA: <https://www.airdna.co>, 2020. State Office of Financial Management, 2019. BERK 2020.

560 **Table D-2. Zip Codes with No Short-Term Rentals per AirDNA**

Zip Code Community Name	Zip Code	Total Dwellings 2019 (Unincorporated)
Ardenvoir	98811	37
Chelan Falls	98817	158
Dryden	98821	212
Monitor	98836	227
Stehekin	98852	203
Total		836

561 Sources: Powered by AirDNA: <https://www.airdna.co>, 2020. State Office of Financial Management, 2019. BERK 2020.

562 Correct March 30, 2020 Situation Assessment Exhibit 12, page 13. Compare new housing units to short-term rentals and correct for homes in city limits.

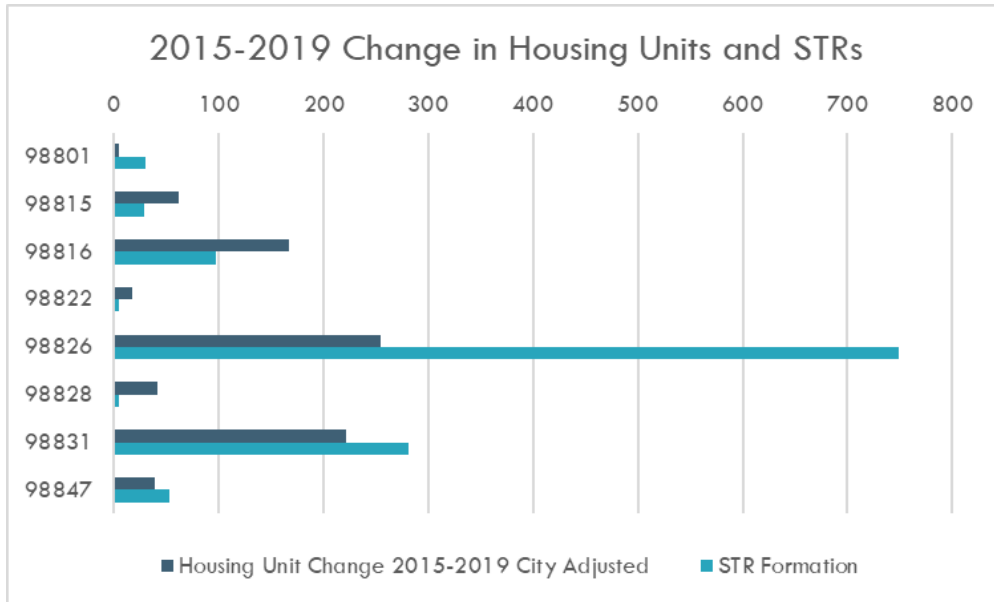
564 Results show a higher formation of short-term rentals compared to new housing stock in Zip Codes:

- 565 ■ Leavenworth (previously identified)
- 566 ■ Manson (new)
- 567 ■ Peshastin (new)

568 In Wenatchee, small formation of both dwelling units and short-term rentals.

569 These results are in line with other information about short-term rentals as a share of total housing stock.

570 **Figure D-1. Change in Housing Units and Short-Term Rentals: Whole Home Rentals**



571
572

Sources: Powered by AirDNA: <https://www.airdna.co>, 2020. State Office of Financial Management, 2019. BERK 2020.