Planning Commission Public Hearing



Community Development • 125 NW Chehalis Avenue, Chehalis, WA 98532 • Phone: (360) 740-1146

STAFF REPORT

SHORT TERM RENTAL REGULATIONS

Date: August 5, 2025

Staff: Mindy Brooks, Director

Attachments: A – Revised Proposed Chapter 17.150 Short Term Rentals (LCC)

B – Revised Proposed Short Term Rental DefinitionC – Short Term Rental Permit Process Concept

D – Example STR Advisory Committee

INTRODUCTION AND BACKGROUND

As part of the <u>Lewis County Comprehensive Plan Periodic Update</u>, <u>development regulations</u> are being amended to address population growth, changes in state law and community priorities. The draft development regulations were the subject of <u>Planning Commission</u> workshops on May 27, June 10 and June 24. A public hearing on the draft development regulations was held on July 8, continued to July 22 and continued to August 12. The oral and written record is closed and no testimony will be taken at the August 12 continued hearing.

At the July 22 continued hearing, the Planning Commission directed staff to present a revised proposed Chapter 17.105, Short Term Rentals, regulations for consideration. This memo summarizes the Planning Commission's directions to staff. The attachments include the revised proposed Chapter 17.105 and the revised definition of Short Term Rental. It is anticipated that the Commissioners will vote on Attachment A and B at the August 12 hearing. Attachment C and D are for discussion and not subject to a vote but may be included in the Letter of Transmittal for BOCC to consider.

ISSUES

- 1. <u>Permitting.</u> The Planning Commission supports requiring short-term rentals, countywide, to obtain a permit through the County, which will allow the County to gather local data to better inform future discussions about short-term rentals.
- 2. <u>25% Cap</u>. While there was both support and opposition to a countywide cap, the Commissioners agreed that at this time there is not sufficient local data from with to determine if a cap is necessary and what cap would be appropriate. The Planning Commission directed staff to remove this requirement from the proposed zoning code. They also directed staff to remove the limit on the number of short-term rental units per property, while maintaining that multifamily residential cannot be used for short-term rentals until an incentive is utilized. Please note, three or more

detached rental units on a property would be considered a motel and allowed pursuant to the transient accommodation requirements.

- 3. <u>Safe Structures</u>. The Planning Commission directed staff to include code language that ensures that short-term rental structures are safe for habitation. Staff have included code language, and also suggest a waiver as presented in Attachment C for non-traditional structures.
- 4. <u>Water & Septic</u>. The Planning Commission directed staff to maintain the requirements for an approved water source and approved septic, or other wastewater treatment option. The Commissioners also directed staff to maintain the occupancy limits based on septic capacity, for with the standard design capacity is 2 people per bedroom.
- 5. <u>Parking</u>. While the Commissioners generally agreed that parking standards can be onerous, they also agreed that guest vehicles should be parked on the property, not within the rights-of-way and therefore supported maintaining the parking requirement of one (1) parking spot on site per bedroom.
- 6. <u>Solid Waste</u>. There was considerable discussion about solid waste management because there isn't service throughout the county. The Planning Commission directed staff to maintain the requirement for service but to allow garbage to be stored in a secure receptacle if service is not available.
- 7. <u>Annual Renewal</u>. The Planning Commission supported the annual self-certification renewal.
- 8. <u>Transferable Permit</u>. The Planning Commission directed staff to change the regulations to allow the short-term rental permits to be transferred from one owner to the next.
- 9. <u>Fees</u>. The Planning Commission asked staff to estimate the fees for a short-term rental permit. If the revised proposed regulations are approved as shown in Attachment A, the fee would be approximately \$150 per permit.
- 10. <u>Steering Committee</u>. The Planning Commission supported the concept of a steering committee that would work on issues surrounding short term rentals, such as good neighbor agreements, and make recommendations to the County regarding future regulations based on local data. Attachment D is an example from Placer County, California, of Short Term Rental Advisory Committee.

RECOMMENDATION

Staff recommend that the Planning Commission make a recommendation to the Board of County Commissioners. Below is a potential motion or the Commissioner may present their own motion.

Potential Motion: I move to recommend that the Board of County Commissioners approve the amendments to Lewis County Chapter 17.105 and the definition of Short Term Rental, as presented in Attachment A and B of this memo.

NEXT STEPS

The Lewis County Comprehensive Plan Periodic Update development regulations, as recommended by the Planning Commission, will be transmitted to the Board of County Commissioners (BOCC) for consideration. The BOCC will hold a public hearing in September, date to be determined, where testimony will be taken. Following testimony and deliberation, the BOCC will make a final decision on the package.

This is new code. It is not underlined for readability.

ATTACHMENT A - Revised Proposed 17.105 SHORT TERM RENTALS

Chapter 17.105 SHORT TERM RENTALS

Sections:

17.105.010	Purpose
17.105.020	Applicability
17.105.030	Allowance of short-term rentals
17.105.040	Standards
17.105.050	Permit Issuance

17.105.010 Purpose.

The purpose of this chapter is to ensure that short-term rentals are not having a significant impact on residential housing supply in Lewis County and are operated in a manner that protects public health and safety, while also encouraging the economic benefits of tourism.

17.105.020 Applicability.

This chapter applies to dwelling units or portions thereof that meet the definition of "short-term rental" in section 17.10.190.

17.105.030 Allowance of short-term rentals.

Short-term rentals are allowed as described in Chapter 17.42 with the following limitations:

- (1) Within Urban Growth Area Small Towns, pursuant to Chapter 17.17 LLC, and Type I LAMIRDS, which is land designated Small Town Mixed Use (STMU), Rural Residential Center (RRC) or Commercial Crossroads (CC) on the official zoning map, no more than 25% of the total existing dwelling units within each separate urban growth area or Type I LAMIRD may be provided as short term rental. Existing dwelling units are determined by land use categories, as updated annually by March 1 by the Lewis County Office of the Assessor.
- (2) Where there are up to two (2) dwelling units on a single parcel, no more than one (1) dwelling may be provided as short-term rental. Where there are up to three (3) dwelling units on a single parcel, no more than two (2) dwellings may be provided as short-term rental. For the purposes of this subsection, a detached bedroom shall be considered a dwelling unit.
- (3) Where there are four (4) or more dwelling units on a single parcel, no dwelling units may be provided as short-term rental, except if the requirements of 17.17.210(1) have been met. For the purposes of this subsection, a detached bedroom shall be considered a dwelling unit.

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- (1) The following may be permitted as short-term rentals:
 - (a) Single family residences, accessory dwelling units, duplexes, tiny homes and detached bedrooms.
 - (b) Recreational vehicles and trailers.
 - (c) Yurts and similar structures.
- (4) Short-term rentals shall not be operated outdoors, such as a tent or treehouse, except as allowed in an RV park or campground.
- (5) Recreational vehicles or yurts shall not be provided as short-term rentals except those that are permitted as a residence or as allowed in a RV park or campground.
- (2) Multifamily residences shall not be provided as short-term rental, except if the requirements of 17.17.210(1) have been met. Three or more detached residential buildings, recreational vehicles, trailers or yurts located on a single parcel may be approved as a Cabin or Yurt Village, see

 Chapter 17.42, Table 2, Land Use Summary. Detached bedrooms that are provided as accessory to a primary short-term rental, and not provided as a separate short-term rental for rent, shall not be counted as a standalone short-term rental for the purposes of determining the number of short-term rentals per parcel.
- (63) Short-term rentals shall not be used for commercial events, such as a wedding venue, except properties that meet the requirements of the Lewis County Code as an event center or wedding venue, see Chapter 17.42, Table 2, Land Use Summary.

17.105.040 Standards.

- (1) The owner or legal representative shall obtain a short-term rental permit from Lewis County Department of Community Development. Permits shall be renewed annually.
- (2) The short-term rental shall obtain a building permit as a residence, pursuant to Title 15 LCC.
- (32) The maximum occupancy shall be no more than two (2) guests per bedroom plus three (3) additional guests, or maximum occupancy shall be based on the design capacity of the approved on-site septic system, whichever is greater. The number of bedrooms is determined by the approved building permit for the structure. A guest is a person over two (2) years of age.
- (43) A minimum of one (1) on-site parking space per bedroom or unit shall be provided.
- (5) The property address shall be posted so it is clearly visible from the road.

Commentary

- (6) The name and phone number of the local property representative, who can be reached 24 hours per day, shall be posted so it is clearly visible from the road. Local means within Lewis County.
- (74) Solid waste <u>service</u> shall be <u>provided</u>, <u>or garbage shall be</u> stored in completely <u>enclosed and</u> secured receptacles and <u>shall be stored indoors</u>.
- (5) Information shall be provided to all guests regarding current local burn restrictions.
- (8) A sign shall be posted conspicuously inside the short-term rental with the following information:
 - (a) The unified business identification number and the Lewis County short-term rental permit number.
 - (b) Name, address and phone number of the property owner and agent(s) authorized to act on the property owner's behalf.
 - (c) A map of the property boundary, indicating access points, adjacent private property or common areas, and any easements, including access easements to shorelines.
 - (d) A floor plan indicating location of fire extinguishers and all exits.
 - (e) Instructions regarding waste collection and removal.
 - (f) Posted quiet times starting no later than 10:00PM and ending no earlier than 7:00AM.
 - (g) The statement "Occupants shall follow all local burn restrictions."

17.105.050 Permit issuance.

- (1) The short-term rental permit shall be processed as a Type I application.
 - (a) All short-term rental owners that obtain a permit prior to December 31, 2025 shall be vested and not subject to the limitations of 17.105.030(1), unless the permit is revoked or relinquished.
 - (b) After January 1, 2026, new short term rental permits shall be issued on a first come, first served basis.
- (2) To obtain a permit, the property owner or agent authorized to act on the property owner's behalf shall demonstrate that all of the following are met:
 - (a) The standards listed subsection 17.105.040.

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- (a) There are working smoke and carbon monoxide detectors and properly maintained and charged fire extinguisher on the premises.
- (b) If the short term rental is a residential building, a certificate of occupancy, an approved building permit or an inspection completed within the previous three (3) years by a qualified professional is required.
- (c) There is a permitted and properly functioning septic system, sewer connection or other legally permitted wastewater treatment system (e.g., incinerator toilet).
- (ed) There is an approved water source that meets minimum potable water standards.
- (de) There is solid waste collection during all months the dwelling unit or portion thereof is provided as short-term rental.
- (ef) Proof of paid taxes and fees associated with the property.
- (fg) Valid liability insurance of one million dollars or more that covers the use of the short-term rental unit as required by RCW 64.37.050.
- (3) Any short-term rental permit shall be renewed annually based on the permit issuance date. Failure to renew a permit within six (6) months one (1) year of the permit renewal deadline shall result in automatic revocation of the permit.
- (3) Any permit issued pursuant to this section is non-transferable; transfer of property to a different owner shall require application for a new short-term rental permit.
- (4) A property owner may voluntarily relinquish a short-term rental permit upon written 30-day notice to the Lewis County Department of Community Development and shall cease all short-term rental operations on the subject property following affirmation of the permit revocation from the County.
- (5) <u>Beginning on July 1, 2026, Ffailure to obtain and maintain a short-term rental permit, including meeting the standards of subsection 17.105.040 and 17.105.050, shall be processed as a code violation pursuant to Chapter 1.20.</u>

ATTACHMENT B - Revised Proposed Short Term Rental Definition

"Short term rental" means a lodging use, that is not a hotel, motel or bed and breakfast, in which a dwelling unit, or portion thereof, is offered or provided to a guest for a fee for fewer than thirty (30) consecutive nights—and for no more than 180 days during a calendar year. "Short-term rental" does not include the following:

- (i) An owner-occupied dwelling unit within which no more than three (3) individual rooms are rented at any time.
- (ii) A dwelling that is rented on a month-by-month basis where the renter is required to sign a full month lease.
- (iii) A dwelling unit, or portion thereof, that is operated by an organization or government entity that is registered as a charitable organization with the secretary of state, state of Washington, or is classified by the federal internal revenue service as a public charity or a private foundation, and provides temporary housing to individuals Certified on 7/12/2024 Combined Chapter 64.37 RCW Page 1 who are being treated for trauma, injury, or disease, or their family members.

ATTACHMENT C – Short Term Rental Permit Process Concept

This is a draft concept for a Short Term Rental permit application with Lewis County. The intent of sharing this is to show how some of the concerns raised by the community and Planning Commission could be addressed through the permitting process, rather than in the zoning code. This is not the final permit process and may change before an application is finalized and implemented.

Application Basic information

- Owner Name
- Owner Address
- Owner Phone Number
- Owner Email
- Legal Representative, if different than Owner
- State UBI Number
- Site Address
- Tax Parcel Number(s)
- Number of short-term rentals on the parcel
- Total Number of Bedrooms (including all STRs on the parcel)
- Occupancy limit based on number of bedrooms

Information required to be submitted with the application

If the short-term rental is a residential structure, such as a house, tiny home, cabin,
accessory dwelling unit, duplex, detached bedroom, Park Model RV or yurt, proof of a
certificate of occupancy or approved building permit.

- o If a c/o or building permit is not available, then there will be two options:
 - Have an inspection completed by a qualified professional that verifies that the structure is safe for habitation, or

 Owner or legal representative could sign a waiver that they certify that the
structure is safe for habitation and hold-harmless the County for said
residential structure(s).
If the short-term rental is not a residential structure, such as a vintage trailer, the above
two options would be available – inspection as a non-residential structure or waiver.
Proof of an approved water source. If the owner has a c/o or building permit through
the County, this information will be in the system already.
Proof of an approved septic system, connection to a municipal sewer system or other
approve wastewater treatment option. If the owner has a c/o or building permit through
the County, this information will be in the system already.
Site plan showing parking space(s)
Proof of solid waste collection services or acknowledgement that garbage must be
stored in a secure recentacle

Acknowledgement that current local burn restrictions must be provided to all guests.
Proof of paid taxes
Proof of insurance required by RCW 64-37-050

Guidelines

Placer County Short Term Rental Advisory Group

1. Purpose:

Placer County established the Placer County Short Term Rental (STR) Advisory Group (herein referred to as "Advisory Group") to support the County's desire to apply continuous learning and adaptive management principles to its STR ordinance consistent with the direction given by the Board of Supervisors. The Advisory Group's purpose is to provide ongoing feedback to Placer County Tahoe staff leadership on the performance of the STR ordinance and input for improving the efficiency and effectiveness of the STR program. The Advisory Group shall assist the County in analyzing data and statistical performance measures, as well as help the County identify new issues or concerns based on anecdotal experience. The Advisory Group shall represent business, resident, community, and environmental interests to ensure the STR program balances economic, community, and environmental priorities.

2. Goals:

- A. **Monitoring and Assessment:** The Advisory Group will collaborate with County staff to develop a set of data and performance metrics that will be consistently tracked and reported to the Advisory Group and Board of Supervisors. The Advisory Group will seek to develop performance measures that track both quantitative metrics and qualitative measures of STR performance. The Advisory Group will coordinate with County staff in utilizing the performance measures to assess the impact on STR permit holders; local residents and neighborhoods; County staff and resources; visitors; area businesses and the economy; and the environment.
- **B.** Experience Reporting: In addition to quantitative and qualitative performance measures, Advisory Group members will provide feedback based on the direct experiences of the constituencies they represent. Advisory Group members will be provided a dedicated time for such reporting at each meeting and encouraged to provide ongoing reporting to County staff in between meetings.
- C. **Implementation Input:** Within the scope of STR ordinance as it exists at any given time, provide input to County staff on its implementation and enforcement activities and suggest improvements. County staff will keep a dynamic list of this input with actions / options to be considered.
- D. Ordinance Revisions: Assist County staff in the development of ordinance revisions for consideration by the Board of Supervisors aimed at improving the effectiveness and efficiency of the STR ordinance to meet current and future community needs.
- E. **Responsibility to Constituency:** Advisory Group members shall regularly interact with their constituencies so that they can accurately reflect to the Advisory Group the viewpoints and opinions of those they represent.

3. Membership

The Advisory Group shall consist of Industry Members and Community Members and Safety Professionals. Industry Members are defined as those members who conduct business activity in the STR market (owners/licensees, managers/management firms) or represent those who conduct business activity in the STR market (business associations). Community Members are defined as those members who do not conduct business activity in the STR market. Within these three categories, Advisory Group members shall represent the following:

- Industry Members
 - o Current STR permit holders (2)
 - o Professional property managers / management firms (2)
 - o Business Association member (2)
- Community Members
 - East County residents who are not an STR permit holder or manager (2)
 - o Homeowner Association member (1)
 - Hotelier that does not operate STRs (1)
 - Housing representative (2)
 - o Environmental member (1)
- Safety Professionals (non-voting)
 - Fire District representative (1)

4. Terms of Service

- A. Each Advisory Group member will serve a term of two-years.
- B. Members may be re-appointed for an additional term.
- C. Meetings will be held quarterly or as determined needed by County staff. Meetings will be conducted in-person whenever possible, but may be conducted virtually.

5. Roles and Responsibilities:

- A. **Group Leader:** Elected based on majority vote from among the members for a one-year term. They are responsible for Advisory Group deliberations being balanced with all viewpoints heard and providing input on the content of the meeting agenda. The Group Leader shall also be responsible for oversight of communications regarding Advisory Group decisions and outcomes. The initial Group Leader may be an Industry Member or a Community Member. After the initial election, the Group Leader role must rotate between Industry Members and Community Members each year.
- B. **Deputy Leader:** Elected based on majority vote from among the members for a one-year term. The Deputy Leader must be elected from the other membership category from the Group Leader. For example, if the Group Leader is an Industry Member, the Deputy Leader must be a Community Member. The Deputy Leader will be involved in all matters of the Advisory Group where the Group Leader is involved. In the absence of the Leader, they are responsible for Advisory Group deliberations being balanced with all viewpoints heard and

- providing input on the content of the meeting agenda as well as oversight of communications regarding Advisory Group decisions and outcomes.
- C. Members: Attend all meetings, actively participate in discussions on behalf of their constituency according to the ground rules, and assist in forming recommendations and reaching consensus.
- D. **County staff:** Provide input towards the finalization of the meeting agenda, regularly provide information and updates, produce and present performance data and analysis, and provide technical assistance. Facilitate communications with the Advisory Group.
- E. **County consultants (optional):** Provide day-of meeting facilitation in coordination with the Group Leader and/or Deputy Leader and County staff, perform record keeping, and general meeting support to the Advisory Group.

6. Decision-making:

A. **Decision by consensus the goal:** To the extent practicable, the Advisory Group shall seek to reach a consensus viewpoint through dialogue and will utilize a consensus-based approach for resolving issues, making decisions and forming recommendations. In order to reach consensus, Advisory Group members may develop and utilize a scale to denote levels of agreement with or opposition to issues or proposals, such as that noted below:

Concensus Gauge:

- 1. Proposed decision is fully acceptable. Support the Advisory Group's recommendation.
- 2. Proposed decision is acceptable with minor reservations. Support the Advisory Group's recommendation.
- 3. Proposed decision is acceptable, even with major reservations, but it is currently the best available decision. Support the Advisory Group's recommendation.
- 4. Stand aside / abstain: Will not block but cannot provide support.
- 5. Cannot live with the decision. (Member expected to offer a feasible and appropriate alternative.)
- B. **Super Majority vote:** For matters where consensus is not reached or further clarity from the Advisory Group is required, the Group Leader (or Deputy Leader if the Leader is absent) may call for a vote of Advisory Group members present. A two-thirds super majority of those members present (66% plus one) shall be required for the Advisory Group to render a decision. Items requiring a vote of the Advisory Group shall be noted in advance on the agenda. Items that arise during a meeting that require a vote of the Advisory Group will be voted on at the next meeting.
- C. Minority opinion: To the extent there is a divergence of opinion on a matter represented by not less than one-fourth of Advisory Group members present, these members on their own initiative may compose a minority opinion letter that will be included as part of the staff report package to the Board of Supervisors.

D. Absentee voting: Advisory Group members are expected to attend all meetings. Only members who cast their vote during a Advisory Group meeting shall have their vote recognized as part of the meeting proceedings. An exception may be granted under special circumstances as determined by the Leader (Deputy leader if Group leader absent) or County staff.

7. Authority

The Advisory Group is not a committee of the Board of Supervisors. Actions or votes by the Advisory Group are advisory in nature and not binding on County staff or the Board of Supervisors.

8. Ground Rules and Expectations

A. Ground Rules:

- Show up on time and come prepared: Be prompt in arriving to the meeting and in returning from breaks. Be prepared to contribute to achieving the meeting goals. Come to the meeting with a positive attitude.
- Stay mentally and physically present: Please place mobile devices on silent and don't attend to non-meeting business during the meeting.
- Let everyone participate: Share time so that all can participate. Be patient when listening to others speak and don't interrupt or have side conversations. Respect each other's thinking and value everyone's contributions.
- Listen with an open mind: Stay open to different viewpoints than your own and listen closely to what the speaker intends. You can respect another person's point of view without needing to agree or disagree with them.
- Think before speaking: Seek first to understand, then to be understood. Avoid using acronyms or phrases that can be confusing or be misunderstood. Where possible, use facts and evidence to support your point of view.
- Challenge the idea, not the person: Casting Judgement or blame is counterproductive.
 However, the respectful clash of ideas can yield new insights and perspectives, aiding group understanding and problem-solving.

B. What Advisory Group Members can Expect:

- A clear agenda: Meeting objectives and topics shall be set before the meeting.
- Advanced copies of materials: Members shall receive advanced copies of the agenda and related materials not less than five (5) business days prior to the meeting.
- Member participation: All members will be encouraged to contribute their ideas and perspectives. Effort will be made so that no one member dominates the conversation at

- the expense of others. To the extent topics are raised by Advisory Group members that are not on the agenda, this will be noted for potential discussion at a future meeting.
- A meeting summary: A recap of key decisions, outcomes, action items with owners and timeline will be communicated to members within several days of of an Advisory Group meeting.

9. Member participation

- a. Attendance: Full and regular attendance is necessary to carry out the purpose of the Advisory Group. Members are granted one (1) meeting "pass" during a calendar year to be used for unforeseen or extraordinary circumstances. This absence shall be excused if ample notification is given to the Group Leader (Deputy Leader if the Group Leader is absent), and County staff. Two or more absences during a calendar year are grounds for member removal.
- b. **Resignation:** A member wishing to voluntarily resign must submit their resignation in writing to the Group Leader (Deputy Leader if Group Leader absent) and County staff, whether electronic or hard copy, and this action will be noted in the the minutes of the next Advisory Group meeting. A replacement shall be sought to fill the unexpired term as soon as possible via stakeholder outreach and the application process outlined above.
- c. Removal for non-engagement or misconduct: Should a member fail to engage in Advisory Group meetings or activity, act in a manner contrary to the provisions contained in this charter, or otherwise disrupt or impede the business of the Advisory Group, said member shall receive a warning and corrective action will be sought. Should evidence of non-engagement or misconduct continue after the warning, said member will be notified in writing that their membership in the Advisory Group has been revoked. A replacement shall be sought to fill the unexpired term as soon as possible via stakeholder outreach and the application process outlined above. Removal decisions will be made by the Group Leader, Deputy Leader, and County Staff.

10. Role of Community Members not part of the Advisory Group membership

- a. **Preferred Method of Input:** The preferred method for community input is to contact the Advisory Group member who most closely reflects your point of view so that Advisory Group members effectively represent the viewpoints of their constituency.
- **b.** Time Set Aside on the Agenda: For residents not on the Advisory Group interested in contributing to the improvement of the STR ordinance, time will be set aside on each agenda for non-member input. Meetings shall be open to the public. Meeting dates and times will be posted on Placer County's website.

11. Advisory Group Duration:

a. **Term:** The Advisory Group will operate for an initial period of three-years, after which its effectiveness will be evaluated. If deemed necessary, the Advisory Group's duration may be extended by decision of the County Executive's Office.

b. Possible Disolution: With consideration of the mission and purpose of the STR advisory group, the County may elect to dissolve the group at a time that the purpose has been fulfilled or limited staffing resources are determined to be needed to address other regional priorities. Notice would be given to each Advisory Member by the County well in advance.

12. Amendment to the Guidelines

These guidelines may be amended with the approval of a majority of the Committee members and the subsequent approval of the County Executive's Office.