

## SHORT TERM RENTAL OF DWELLING UNITS PROPOSED ORDINANCE

### HISTORY

In January of 1992, the City Council adopted Ordinance 92-01. This ordinance established regulations for the transient rental of dwelling units, including a provision that the short-term rental of dwelling units would be discontinued on February 6, 1997 (this was referred to as the amortization period.) The ordinance defined the transient rental of a dwelling as a rental period of less than two weeks. Since 1992, the City Council has extended the amortization period twice, most recently to January 1, 2005. There are currently 92 licensed short term rentals.

### GENERAL PROVISIONS

At its November 2, 2004 meeting, the City Council will consider an ordinance which changes the City's regulation of short term rentals.

The following are the key proposed changes from the existing zoning requirements regarding transient rentals:

1. The amortization date of January 1, 2005 for transient rentals is deleted.
2. The existing 92 transient rental license holders will be permitted to continue to operate their dwellings as transient rentals but will be issued a new permit which is subject to specific standards.
3. The transient rental permits are issued to the existing owner and are not transferable. Generally, when the property is sold or transferred, the ability to use that dwelling as a transient rental ends. Upon death, a permit will be transferable to a spouse.
4. The City will maintain a total of 92 transient rental permits. When an opportunity for a new permit becomes available, a new transient rental permit holder will be selected from a list of interested persons based on a lottery selection process. Permits issued in this way are valid for a total of five years. At the end of that five-year period, a new permit holder is selected by a lottery.
5. A new category of short-term rentals is also established: vacation home rental. The proposed regulations will permit each property owner to obtain one vacation home rental permit, which will allow occupancy of a vacation home rental by no more than one tenant group in a two week period.

### STANDARDS

The transient rental permits and vacation home rental permits will be subject to the following standards (many of these standards have not changed from existing requirements):

1. Occupancy. The occupancy is determined by the number of bedrooms in the dwelling. The maximum occupancy is limited to twelve people, except for those existing transient rental license holders where the occupancy exceeds twelve.
2. Off-street Parking. One off-street parking space must be provided for each three persons of dwelling occupancy. Where there is no off-street parking, the dwelling's occupancy is limited to six persons. The permit application must include a site plan showing the location of the off-street parking that is provided.

3. Local Representative. Where the property owner is not a resident of the Cannon Beach urban growth boundary, a local representative must be designated. The local representative can be either a resident within the Cannon Beach urban growth boundary or a property management company located within 10 miles of the Cannon Beach urban growth boundary. The local representative is responsible for responding to complaints about the rental.
4. Guest Register. The owner or local representative is responsible for maintaining a guest register that includes the names, home addresses and phone numbers of the tenants as well as the vehicle license plate numbers for all vehicle used by the tenants.
5. Neighborhood Notification. The City will notify property owners within 200 feet of a rental's designated local representative.
6. Solid Waste. Weekly solid waste collection service is required.
7. Permit Posting. The permit will be posted within the dwelling to provide information on maximum occupancy, location of off-street parking, the local representative, and other pertinent information.
8. Violations and Penalties. An increasing level of sanctions will be applied to permit holders where more than two violations occur within a two-year period. These sanctions are the suspension of the permit for a specified period of time.
9. Inspections. Proposed vacation home rentals must be inspected for compliance with the Uniform Housing Code before a permit is issued. Both transient rentals and vacation home rentals will be reinspected every five years to insure continued compliance with fire, life, and safety requirements.

#### TIMING

Existing transient rental business license holders will have until June 30, 2005 to apply for and receive a new transient rental permit which will be effective from July 1, 2005 to June 30, 2006. Until July 1, 2005, existing transient rental business license holders will be able to rent their dwelling under the conditions of their existing transient rental business license.

The proposed vacation home rental provisions will go into effect on July 1, 2005. Persons may apply for a vacation home rental permit any time after the ordinance goes into effect. However, effective July 1, 2005, only those persons who have received a vacation home rental permit will be permitted to rent their dwelling for periods of between fourteen and thirty days.