## **AGENDA**

City Council & Planning Commission Work Session
989 Broadway - Seaside City Hall Council Chambers
November 29, 2021 6:00 P.M.

| 1. | Call to | Order:   |
|----|---------|--|
| 2. | Topics  | for Discussion: City Council and Planning Commission                                     |
|    | Α.      | CITY OF SEASIDE ZONING POLICIES REGARDING VACATION RENTALS                               |
|    | В.      | PLANNING COMMISSION DISCUSSION REGARDING UPDATING THE CITY OF SEASIDE COMPREHENSIVE PLAN |
|    |         |  |

Adjournment:

## CURRENT ZONING ORDINANCE SECTION REGULATING VRDs Section 6.137 VACATION RENTAL DWELLING (VRD)

- 1. **Purpose**. The Vacation Rental Dwelling Permit is in recognition of the desire of many people to rent their property on a short term basis. These standards and procedures are in addition to City ordinances and Federal and State laws and regulations.
- 2. Standards. In all zones allowing Vacation Rental Dwellings, a permit shall be issued as an accessory use in accordance with the administrative conditional use provisions provided the applicant can demonstrate by written application that all of the following standards are met:
  - A. <u>Parking.</u> One 9' x 18' off-street space will be provided for each bedroom in the unit, but in no event shall fewer than two spaces be provided.
  - B. <u>Number of Occupants.</u> The maximum number of occupants cannot exceed three persons (over the age of three) per bedroom. The maximum occupancy, along with good neighbor rules, shall remain posted inside the front door in a conspicuous place. It is the owner's responsibility to ensure the renters are aware of these limitations.
    - The number of overnight renters or the maximum number of occupants may be reduced by the Code Enforcement Officer or Fire Marshal at the time of Inspection for valid code reasons.
  - C. Residential yard areas. Front, side, and rear yards must maintain a residential appearance by limiting off street parking within yard areas. At least 50% of each yard area which is not occupied by buildings must be landscaped in some fashion so that parking will not dominate the yard.
  - D. <u>Local responsible party.</u> A local responsible party that permanently resides within the county must be identified by the owner. The responsible party will serve as an initial contact person if there are questions regarding the operation of the VRD. The owner shall provide the telephone number of the local contact person to the City, and to the immediate neighbors within the notification area (within 100' of the subject property).
  - E. <u>Spatial distribution requirements.</u> Within the medium density residential (R-2) zones and high density residential (R-3) zones, not more than 20% of the properties within 100' of the subject property can be currently licensed for VRD use without Planning Commission review.
    - Failure to meet this standard will require a public hearing and review by the Planning Commission under the provisions of Subsection 5.
- 3. Notice and Administrative Decision. Upon submittal of a complete application, notice of the request shall be mailed to all property owners within 100 feet in accordance with Section 10.031 (2). The notice and final decision by the Planning Director must comply with the provisions in Section 10.032 through Section 10.035 of the Ordinance.
- **4. Appeals.** Within fifteen (15) days of the administrative decision, the decision may be appealed in accordance with the provisions in Section 10.037 and 10.040 of the Ordinance

- 5. Planning Commission review. The Planning Commission will review VRD's which do not conform with the provisions of Subsection 2.E., in accordance with the conditional use procedures in Section 6.30 through 6.50 of the Ordinance. The applicant must address the following criteria in addition to the standards in Subsection 2.A-D of this Section. A decision by the Commission to approve a VRD request may include conditions that would restrict the number of renters or total occupants in the VRD.
  - A. The use of the property as a VRD will be compatible with the surrounding land uses.
  - B. The VRD will not contribute to excessive parking congestion on site or along adjacent streets.
- **6. Approval conditions.** All approval must include the following conditions:
  - A. Vacation rentals must comply with City ordinances regarding noise, smoke, dust, litter, odor, and solid waste collection. Weekly solid waste pick-up is required during all months.
  - B. Prior to issuance of a vacation rental dwelling permit, the building in question must be inspected and be in substantial compliance with the Uniform Housing Code.
  - C. It is the property owner's responsibility to assure that the vacation rental dwelling remains in substantial compliance with Oregon State requirements for the following: Health, Safety, Building, and Fire Codes, and Traveler's Accommodation Statutes, and with the Uniform Housing Code.
  - D. Vacation rental dwelling permits are personal in nature and accordingly are not transferable. Upon transfer of the property, the new owner, if he or she so desires, may apply for a new permit in accordance with this Section.
  - E. A City Business License is required and all transient room tax provisions apply to VRD's. The business license must be obtained prior to any rental of the property. Renewals must be made in January of the permit year. If the business license fee or the transient room tax payments are thirty (30) days past due, the VRD Permit will be revoked unless a written extension is granted by the Finance Director.
  - F. Upon receipt of two written complaints from two or more occupants of different residences who claim to be adversely affected by the use of the property as a vacation rental dwelling, or by notice from the City Code Compliance Officer that requirements or conditions of approval are not being met, the Planning Department will work with the parties involved to settle any conflicts. If the problems are not resolved, the permit will be reviewed by the Planning Commission as provided in Subsection 5 of this Section. Failure on the applicant's part to meet the standards or conditions will result in denial of the application
- 7. **Prior Approvals.** Vacation rental dwellings approved under prior standards shall comply with the provisions of Section 6.137; 2B., 2D., & 6A. within one year of the amendments in this Section.
  - (Amending Ordinance No,.2000-09, adopted 11-27-2000)
- **8. Complaints.** Any complaint procedures concerning violations of the VRD Provisions are in addition to the "Remedies" specified in Article 12 of the Zoning Ordinance.

## Vacation Rental Dwelling Application and Approval Policies



Updated March 2, 2021.

The following are the current policies of the Planning Commission that are taken into considerations during the review of any conditional use request for a Vacation Rental Dwelling (VRD).

#### 1. VRD SUPPORTED LOCATIONS:

VRD applications are not supported in certain residential areas of the city.

VRD applications are currently supported for properties located west of Neawanna Street, west of N Holladay Drive and South Holladay Dr, and west of S Roosevelt Drive (excluding the Ocean Cove Estates and The Rose Creek Subdivision. The locations where VRD applications are not supported have historically been dominated by full time residential uses. (See VRD Location map Addendum A.)

#### 2. VRD SPATIAL DISTRIBUTION:

The Planning Commission will not support the approval of a VRD Conditional Use Permit applications if more than 40% of the surrounding properties within 100' of an applicant's property are currently licensed as VRDs.

The Planning Commission has established a maximum percentage of VRDs that will be authorized within a set distance from an applicant's property. This policy avoids turning the majority of properties into transient rentals and maintains the integrity of the Medium Density (R-2) and High Density (R-3) residential zones. Although the percentage of second homes may be higher than this percentage in some areas, it doesn't mean every second home needs to be afforded an opportunity to allow transient rentals (rental for periods less than 30 days).

All VRD applications are reviewed with a density analysis that shows the percentage of VRD licensed properties within 100' of the applicant's exterior property lines.

#### **Exceptions:**

- I. This percentage does not apply within the Resort Residential (R-R) zone as motels are an outright permitted use in that zoning district. (See RR Zone map <u>Addendum B</u>.)
- II. VRDs within the R-R zone will not be counted in the density analysis for applications for properties that border that zone for the purposes of determining if the surrounding percentage of VRDs exceeds 40%.
- III. The VRD density is increased to 50% for properties in the following areas:
  - a. Properties on the ocean side of Sunset Boulevard from the southern end of the road to The Cove parking lot.
  - b. All properties that abut Sunset Boulevard from The Cove parking lot to the intersection of Sunset Boulevard and Evergreen Drive, then continuing easterly along Sunset Blvd. up to the Sailors Grave.

- c. All properties on the ocean side of Sunset Blvd. from the Sailors Grave to the intersection with South Edgewood Drive and along South Edgewood Dr to the intersection of Beach Drive.
- d. All properties on the ocean side of Beach Drive from the intersection of Beach Drive and South Edgewood Drive north to the R-R zone.
- e. Properties at the end of the R-R zone at 12<sup>th</sup> Avenue along the ocean front area that abut the platted portion of Ocean Avenue to 15<sup>th</sup> Avenue.
- f. Properties on the ocean side of North Columbia that abut the platted portion of North Prom to 19<sup>th</sup> Avenue where it reaches the Open Space Park (OPR) zone. (See VRD Density map <u>Addendum C</u>.)

#### 3. LIMIT ON VRD CONDITIONAL USE PERMITS PER OWNER OR OWNERSHIP:

The Planning Commission and the Planning Director will only support the approval of one VRD conditional use permit for a single owner or ownership. If an owner has more than one single family dwelling or multiple dwelling units on a property (duplex or triplex), only one dwelling unit shall be approved for VRD use.

VRD conditional use permits are intended to be an accessory use to a dwelling. One owner having multiple dwellings that are licensed for VRD use is the equivalent of operating a motel with separate units scattered throughout the city's residential zones. The licensing of duplexes or triplexes will fall under the same restriction since they have multiple dwelling units under one ownership.

#### 4. REQUIREMENTS OF LOCAL CONTACTS/PREFERRED CONTACT:

The Planning Director and Planning Commission will require the Local Contact to sign a Local Contact Acknowledgement form as a condition of approval. If an owner wants to identify an additional Primary Contact, they will also be required to sign a Primary Contact Acknowledgement form.

The Local Contact Acknowledgement form makes Local Contacts aware of the Planning Commission's expectations at the time the application. The requirement for a Local Contact to sign the form is a formal acknowledgment of their requirements as a local contact and the expectations set by the Planning Commission. (See Local Contact Acknowledgement Addendum D.)

The Preferred Contact is supplemental to the Local Contact. The applicant/VRD owner is required to have a Local Contact that permanently resides within Clatsop County. The Preferred Contact is not required to reside within Clatsop County, but can be listed along with the Local Contact as the preferred point of contact for the VRD. The Preferred Contact is required to sign the Preferred Contact Acknowledgement form as a formal acknowledgement of the requirements of the Preferred Contact and the expectations set by the Planning Commission. (See Preferred Contact Acknowledgement Addendum E.)

#### 5. REQUIREMENT FOR AN ANNUAL COMPLIANCE INSPECTION:

The Planning Director and the Planning Commission will require an Annual Compliance Inspection for all new VRD applications.

#### 6. APPLICATION PROCESS:

VRD applications must reflect the dwelling unit the applicant is applying to transient rent. Applications will not be accepted until certain conditions for the dwelling unit are met. VRD applicants must be the owner of record for the subject property with the exception of the applicant applying, with the property owner's permission, and the property owner is to retain ownership of said property.

- I. VRD applications will not be accepted on newly constructed dwellings until all of the building permits have an approved final inspection and the certificate of occupancy is issued by the Building Official.
- II. VRD applications will not be accepted on existing dwellings undergoing a significant remodel that could change the occupancy load allowed by current VRD standards. VRD applications can be submitted once all of the building permits have an approved final inspection by the Building Official.
- III. An existing owner of a VRD may apply for a review of their conditional use permit to expand their VRD occupancy prior to the completion of the remodel of their dwelling. The applicant must submit plans for the expansion, and if approval is granted, the final inspection must show the work done to the dwelling substantially matches the plans that were used as the basis for the conditional use permit approval.
- IV. VRD applications will not be accepted pursuant to a purchase contract for a property. The VRD application will be accepted once the purchase contract is final and the applicant has taken possession of the property.

#### 7. VRD PARKING:

VRDs are required to have a minimum of 2 off-street parking spaces and an additional off-street parking space per bedroom over two bedrooms. On-street parking is prohibited by occupants of a VRD. Persons visiting occupants of a VRD are allowed to use on-street parking, on a limited basis, for a limited period of time. Visitors to a VRD should not significantly increase traffic or negatively impact the surrounding neighborhood since this is a violation of the VRD's condition of approval which states: "Compatibility: A VRD will be compatible with the surrounding land uses and shall not contribute to excessive parking congestion on site or along adjacent streets. "

#### 8. VRD OCCUPANCY:

VRD occupancy is calculated by multiplying the number of bedrooms by 3 persons over the age of three. VRDs are required to have one off-street parking space per bedroom with a minimum of two parking spaces. If the number of bedrooms exceeds the number of required parking spaces the occupancy will be adjusted to reflect the number of parking spaces available.

For example: a three-bedroom VRD would be issued an occupancy of 9 persons over the age of three. If the three-bedroom VRD only has two off-street parking spaces the occupancy will be reduced to 6 persons over the age of three to reflect the number of available off-street parking.

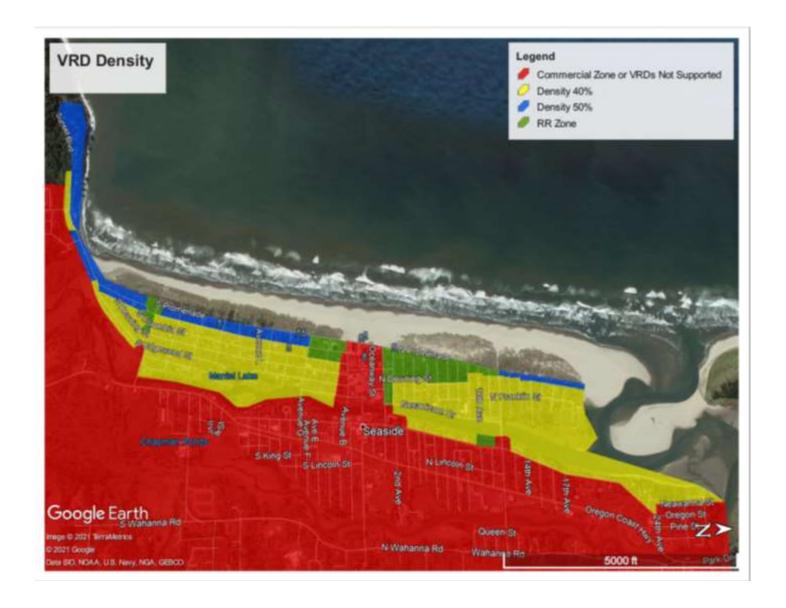
At no time shall the occupancy of a VRD exceed 10 persons regardless of age unless a fire suppression sprinkler system is installed in the dwelling. If a fire suppression sprinkler system is installed the occupancy can be increased to 12 persons provided the VRD has the required number of bedrooms and parking spaces.

#### 9. STANDARD CONDITIONS OF APPROVAL:

A standard list of conditions is issued with each conditional use permit. The standard conditions may be altered or additions may be made based on findings during the review conducted by the Planning Director or the Planning Commission. (See a list of standard conditions in <u>Addendum F.</u>)









Property Address:

## **VACATION RENTAL DWELLING LOCAL CONTACT ACKNOWLEDGEMENT**

Property Owners: This form must be completed by your Local Contact AFTER the final decision of the Planning Director or Planning Commission has been issued for your Vacation Rental Dwelling (VRD). Please ensure your local contact has read and understands the final decision and any conditions placed on your VRD. Please return this form to the City of Seaside by mail at 989 Broadway Seaside, OR 97138 or by e-mail to cdadmin@cityofseaside.us. If you have questions regarding this form please call 503-738-7100.

| Int   |  | on's expectation that I will be available 24 hours a day with this VRD.   |  |  |
|---|--|---|--|--|
| Int   |  | d take remedial action on any complaint at this VRD at the Seaside Planning Commission has deemed a (2) hours.  |  |  |
| Int   | period of time (2 hours) could resu<br>Seaside Planning Commission co  | d to a neighbor's valid complaint within a reasonable alt in a Planning Commission review of the VRD. The uld place further restrictions on the VRD up to and owner's VRD Conditional Use Permit. |  |  |
| Int.  | I understand that I am expected to maintain a <b>complaint response log</b> that will be made available to city staff or the Planning Commission upon request. The complaint log should include the date, time, subject matter of the complaint, name and contact information of the reporting person (if not anonymous), and the action taken to resolve the complaint. |   |  |  |
| I understand and have read the conditions of approval for the VRD conditional use permit for the listed property. The conditions of approval apply to the listed property any time the dwelling is occupied and a member of the property owner's family is not present. |  |   |  |  |
|   |  |   |  |  |
| Name o  | of the Local Contact   | Phone Number of the Local Contact   |  |  |
| Addres  | s of the Local Contact   | E-mail Address of the Local Contact   |  |  |
| E-mail Address of the Local Contact   |  |   |  |  |
| X   |  | Date  |  |  |
| Signature of the Local Contact Date   |  |   |  |  |



## VACATION RENTAL DWELLING PREFERRED CONTACT ACKNOWLEDGEMENT

Property Owners: This form must be completed AFTER the final decision of the Planning Director or Planning Commission has been issued for your Vacation Rental Dwelling (VRD). Please ensure the preferred contact has read and understands the final decision and any conditions placed on your VRD. Please return this form to the City of Seaside by mail at 989 Broadway Seaside, OR 97138 or by e-mail to cdadmin@cityofseaside.us. If you have questions regarding this form please call 503-738-7100.

| Prop         | erty Address:  |   |  |  |  |
|--------------|--|---|--|--|--|
| Int          |  | ct for the VRD located at the listed address and I<br>s expectation that I will be available 24 hours a day<br>this VRD.  |  |  |  |
| Int          | I understand I must respond to and take remedial action on any complaint at this VR within a reasonable period of time. The Seaside Planning Commission has deemed reasonable period of time to be two (2) hours.  |   |  |  |  |
| Int          | period of time (2 hours) could result in   | o a neighbor's valid complaint within a reasonable<br>o a Planning Commission review of the VRD. The<br>place further restrictions on the VRD up to and<br>oner's VRD Conditional Use Permit. |  |  |  |
| Int          | I understand that I am expected to maintain a <b>complaint response log</b> that will be made available to city staff or the Planning Commission upon request. The complaint log should include the date, time, subject matter of the complaint, name and contact information of the reporting person (if not anonymous), and the action taken to resolve the complaint. |   |  |  |  |
| Int          | for the listed property. The conditions of   | ions of approval for the VRD conditional use permit<br>of approval apply to the listed property any time the<br>the property owner's family is not present.                                   |  |  |  |
| Name         | of the Preferred Contact   | Phone Number of the Preferred Contact   |  |  |  |
| Addres       | ss of the Preferred Contact  | E-mail Address of the Preferred Contact   |  |  |  |
| X<br>Signatu | re of the Preferred Contact  | Date  |  |  |  |
|              |  | ( )   |  |  |  |

## **Standard Conditions of Approval**

1. Compliance Inspection: The proposed vacation rental dwelling (VRD) must pass a compliance inspection conducted by the Community Development Department prior to any transient rental. This inspection will verify compliance with all VRD standards and conditions of approval and the applicant is hereby advised that failure to meet certain standards can result in a reduction in the maximum occupancy. The final occupancy will be noted in land use file (XX-XXXVRD) and reflected on the City of Seaside Business License. The license is not valid until the appropriate occupancy has been established by the approval of a final compliance inspection by the Community Development Department.

Please be advised the VRD <u>has</u> undergone a preliminary compliance inspection. Any corrections noted during the inspection must be completed and verified prior to transient rental unless an alternative time period for completion is identified for specific items.

2. Parking spaces: X (#) off-street parking spaces (9' X 18' per space) are required on site. These spaces shall be permanently maintained and available on-site for use by the vacation rental occupants. Vacation Rental Dwelling (VRD) tenants are required to park in the spaces provided on site for the VRD. No on-street parking associated with this VRD is allowed at this location. Vehicles parked at VRDs may not project over the sidewalk and block pedestrian traffic. A parking map shall be posted inside the dwelling for the VRD tenants. The map must clearly indicate:

ON-STREET PARKING CANNOT BE USED BY RENTERS. PLEASE USE THE SPACES PROVIDED ON SITE.

- 3. Maximum number of occupants: X (#) persons over the age of three (no more than ten regardless of age). The maximum occupancy, along with good neighbor rules, shall remain posted inside the front door in a conspicuous place. It is the owner's responsibility to ensure the renters are aware of these limitations. If the number of occupants is less than the original number requested, it may have been reduced for valid code reasons.
- **4. Applicability of Restrictions**: Properties licensed for VRD use will be expected to adhere to the VRD standards and rules throughout the entire year even when they are not being rented for profit. This will not apply to the dwellings when members of the owner's family are present.
- **5. Open Yard Areas:** Front, side, and rear yards must maintain a residential appearance by limiting off street parking within yard areas. At least 50% of each yard area that is not occupied by buildings must be landscaped in some fashion so parking will not dominate the yard.
- 6. Local Contact: XXXX., is identified as the local contact for the VRD and they can be reached at xxx-xxx-xxx. The local contact must be available 24 hours a day to address compliance issues while the property is rented. Upon any change in the local contact, the owner must provide formal notice of the updated contact information to the

City and all of the neighboring property owners within 100'. Managers are required to notify the City any time they stop representing a VRD.

Local contact information is available at the Community Development Department (503) 738-7100, City Hall (503) 738-5511, or after business hours at the Seaside Police Department (503) 738-6311.

- The local contact must sign a Local Contact Acknowledgement Form that indicates they are aware of the Planning Commission's expectations concerning response to complaints by neighboring residents and maintain a complaint response log that would be made available to the city upon request. The signed form must be returned to the Community Development Department so it can be included in the land use file. An updated form must be submitted by the owner any time a new contact person is established.
- **7. Compatibility:** A VRD will be compatible with the surrounding land uses and shall not contribute to excessive parking congestion on site or along adjacent streets.
- 8. Exterior Outdoor Lighting: All exterior lighting must conform to the newly adopted Outdoor Lighting Ordinance even if any pre-existing outdoor lighting would normally be exempt under the provisions of the ordinance. This will basically require shielding of any exterior lighting fixtures such that glare will not be visible from the surrounding property for any fixture that exceeds 450 lumens, the equivalent of a 40-watt incandescent bulb. This does not apply to any existing outdoor security lighting that is timed for short durations and activated by motion detectors.
- 9. Ordinance Compliance & Solid Waste Pick-up: All vacation rentals must comply with City ordinances regarding noise, smoke, dust, litter, odor, and solid waste collection. Weekly solid waste pick-up is required during all months.
- 10. Required Maintenance: It is the property owner's responsibility to assure that the vacation rental dwelling remains in substantial compliance with Oregon State requirements for the following: Health, Safety, Building, and Fire Codes, Traveler's Accommodation Statutes, and with the Uniform Housing Code. Owners are hereby advised that Carbon Monoxide detectors must be installed and maintained in all newly established transient rental occupancies.
- **11. Permit Non-transferability:** Vacation rental dwelling permits are personal in nature and accordingly are not transferable. Upon transfer of the property, the new owner, if he or she so desires, may apply for a new permit in accordance with City Ordinance.
- 12. Business License, Room Tax Requirements, & Revocation for Non-Payment: A City Business License is required and all transient room tax provisions apply to VRD's. The business license must be obtained prior to any rental of the property. Renewals must be made in January of the permit year. If the business license fee or the transient room tax payments are thirty (30) days past due, the VRD Permit will be revoked unless a written extension is granted by the Finance Director.

Some web-based booking platforms (Airbnb, VRBO, etc.) collect and remit transient room tax directly to the city on behalf of VRD owners/applicants. It is the responsibility of the owners/applicants that utilize these platforms to report this revenue on their quarterly returns.

- 13. Conflicts & Potential Denial for Non-Compliance: Upon receipt of two written complaints from two or more occupants of different residences who claim to be adversely affected by the use of the property as a vacation rental dwelling, or by notice from the City Code Compliance Officer that requirements or conditions of approval are not being met, the Planning Department will work with the parties involved to settle any conflicts. If the problems are not resolved, the permit will be reviewed by the Planning Commission as provided in Zoning Ordinance Section 6.137, Subsection 5 at the applicant's expense. Failure on the applicant's part to meet the standards or conditions will result in modification or denial of the permit.
- 14. Complaints: Applicants are hereby advised the City Code Compliance Officer routinely follows-up on individual complaints if there is a valid code issue that needs to be addressed by the owner and/or manager of a VRD. Staff does not wait until the occupants of two different residences submit written complaints before they take action to achieve compliance. The VRD complaint procedures are outlined in an attachment to the notice of decision and an electronic complaint form can also be accessed on the City of Seaside's web site:

https://www.cityofseaside.us/planning-department/webforms/vacation-rental-complaint

This form should be used to report alleged violations that are not being addressed by the local contact or property manager.

- 15. Time Period for Approval, Required Re-inspection: This VRD will be subject to an annual compliance inspection (subject to applicable fee) during the second year of operation to ensure it maintains compliance with the VRD policies, conditions of approval, and ordinances applicable at the time of re-inspection. Re-inspection notices will be provided annually to the owner and the local contact. Failure to schedule an inspection or failure to correct any deficiencies identified during the inspection will result in the expiration of the conditional use permit and a new application must be approved prior to obtaining a business license to allow the use. Any new application will be subject to the VRD policies, conditions of approval, and ordinances applicable as of the date the new application is accepted.
- 16. Tsunami Information & Weather Radio: The owner shall post or otherwise provide a tsunami evacuation map in a conspicuous location within the VRD that clearly indicates "You Are Here". In addition, a NOAA weather radio, with automatic alert capabilities, must be provided in a central part of the VRD along with an informational sheet that summarizes the warning capabilities of the radio in the event of a distant tsunami.
- 17. Grace Period: If a currently licensed VRD sells to another party, staff is allowed to grant a temporary grace period of not more than 60 days in which current bookings can be cleared without being recognized as a violation. The manager or owner must provide staff with a list of the bookings during the grace period and no additional bookings can be taken during that time.
- **18. Pet Friendly Rental:** If the rental allows pets and they generate complaints related to running at large, trespass onto neighboring property, or causing a disturbance due to excessive barking; additional restrictions or containment measures will be required by the Planning Director. The additional restriction can include prohibiting pets at this VRD.

- 19. Repeated Violation of Conditions: As a conditionally permitted use, owners must understand their use is expected to comply with their conditions of approval and they, their local contacts, and/or property managers will be held accountable for addressing compliance issues. Repeated violations will be subject to citations; and if the violations constitute a pattern of disregard or neglect resulting in adverse impacts to the neighboring property owner(s), their permit can be suspended and/or revoked by the Planning Director or his designee. Any such action would be subject to review by the Planning Commission to determine if the use can be reauthorized in the same manner as the original request, but subject to revised conditions. Review by the Commission would be at the applicant's expense based on the review fee applicable to the request at the time of review.
- 20. Outdoor Fire Rings, Fire Places, Hot Tubs, & Spa Facilities: If these outdoor facilities are provided, their use will only be allowed between the hours of 7:00 a.m. & 10:00 p.m. These hours must be posted along with any other established rules governing use of the amenity. It is recommended the rules include a reminder there should be NO EXCESSIVE NOISE AT ANY TIME and renters should be considerate of the residents that live around the rental dwelling they are staying at.
  - ☑ If these hours prove to be insufficient to protect the neighboring property owners from unwanted noise or smoke, they will be further restricted by staff. The additional restriction can include prohibiting use of the outdoor facility entirely by VRD tenants.

## Memo



**To:** Seaside City Council and Seaside Planning Commission

From: Jeff Flory

Date: November 18, 2021

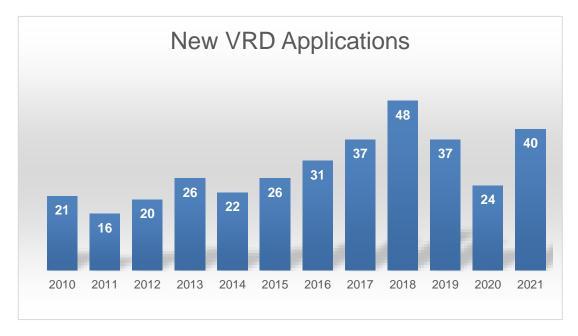
**Re:** VRD Data 2010-2021

The total number of Vacation Rental Dwellings (VRDs) and Transient Rental Condos (TRCs) changes frequently with the addition of new properties into the inventory and the sale of already permitted properties to new ownership. Due to the constant changes in inventory, we have a very limited ability to go back and quantify the set number of VRDs and TRCs for each year. The best way to measure VRD and TRC inventory on an annual basis using the tools that are available is to count the total number of new applications submitted each year and the total number of VRD/TRC business licenses sold for each individual year.

**VRD Business Licenses:** The following chart shows the total number of VRD business licenses sold each year starting in 2010. During any year, there may be more than one business license issued for a property if that property sells to a new owner and the new owner applies for their own VRD conditional use permit. Some business licenses sold each year are voided for a variety of different reasons, the most common being the sale of a property. The data below does not subtract the purchased VRD business licenses that were voided during the year and it does not track the business licenses that were issued for VRDs that sold to new owners creating more than one business license issued for that individual address. This data is solely the total number of VRD business licenses issued each year.



**VRD Applications by Year:** The second data set that can be used to measure VRD growth is the total number of VRD applications received by the Planning Department annually. Some VRD applications are for properties that were already permitted VRDs and some applications are for properties that were not previously permitted. The data does not distinguish between existing VRDs under new ownership and new properties added to the total VRD inventory. The following chart shows the total number of VRD applications received each year since 2010.



To date we have 316 active VRD business licenses and 28 VRD applications pending approval.

**Transient Rental Condo (TRC) Business Licenses:** Short-term rental permits for TRCs are issued for condominium complexes that meet the off-street parking requirements of two spaces per dwelling unit and are not already operating as a condo-hotel. The complexes that currently meet the requirement for a TRC permit are the Bridgeport Condos (1000 N. Holladay), the Riverwalk at Seaside (320 Necanicum Dr.), the Seaside Beach Club (561 S Prom), and Whalers Point (3900 Sunset). Other condo complexes might meet the requirements but either operate as a condo-hotel or short-term rentals are not allowed per their HOA. The below chart is the total number of TRC business licenses sold each year.



**Transient Rental Condo (TRC) Business Licenses:** The below chart shows the new applications for TRCs received by the Planning Department each year.



### To date there are 55 active TRC business licenses and 1 application pending approval.

Please let me know if there are any other sets of data or information that you would like to see prior to the joint work session on November 29, 2021.

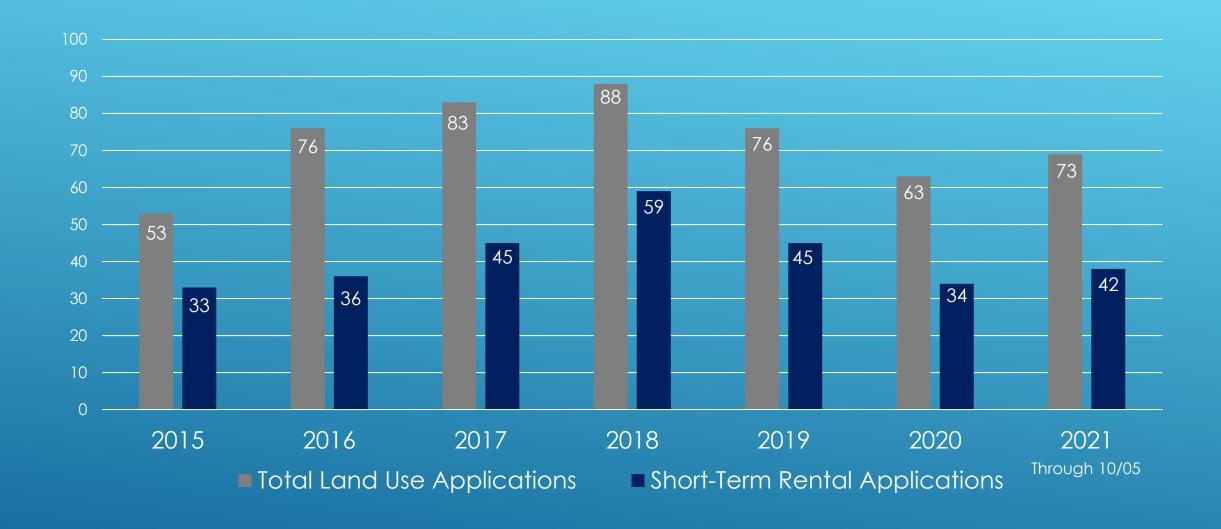
# VACATION RENTAL COMPLIANCE

City Council Update
-2021



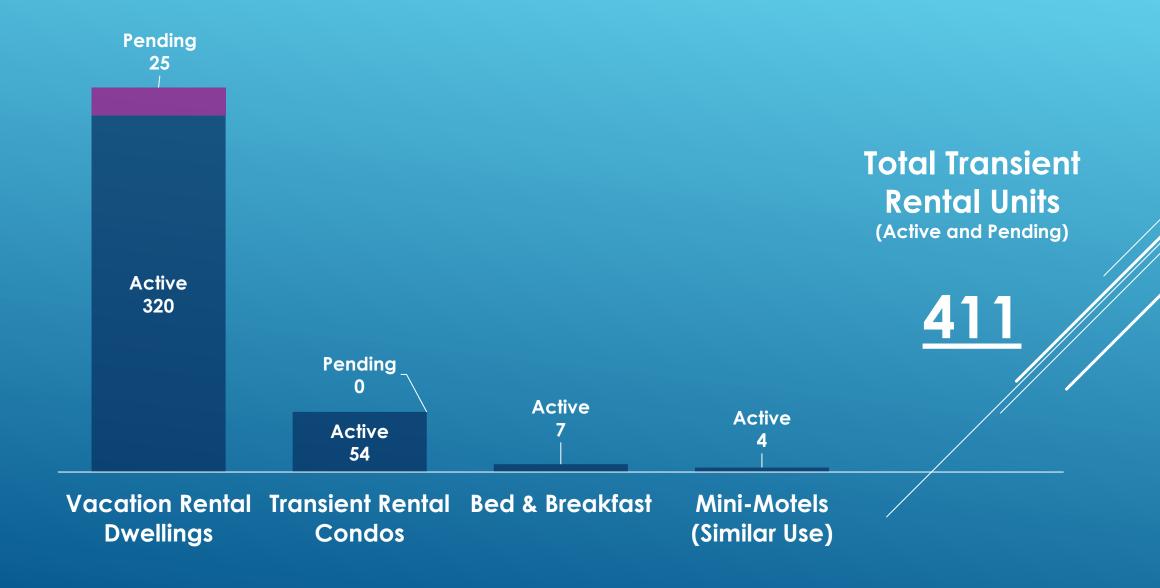
- Since January 1, 2021 the Planning Department has received 73 Land Use applications. Of those 57.5% are for transient rentals.
  - > 32 Vacation Rental Dwellings
  - 7 Transient Rental Condos
  - > 3 Bed & Breakfasts

## TRANSIENT RENTAL INVENTORY



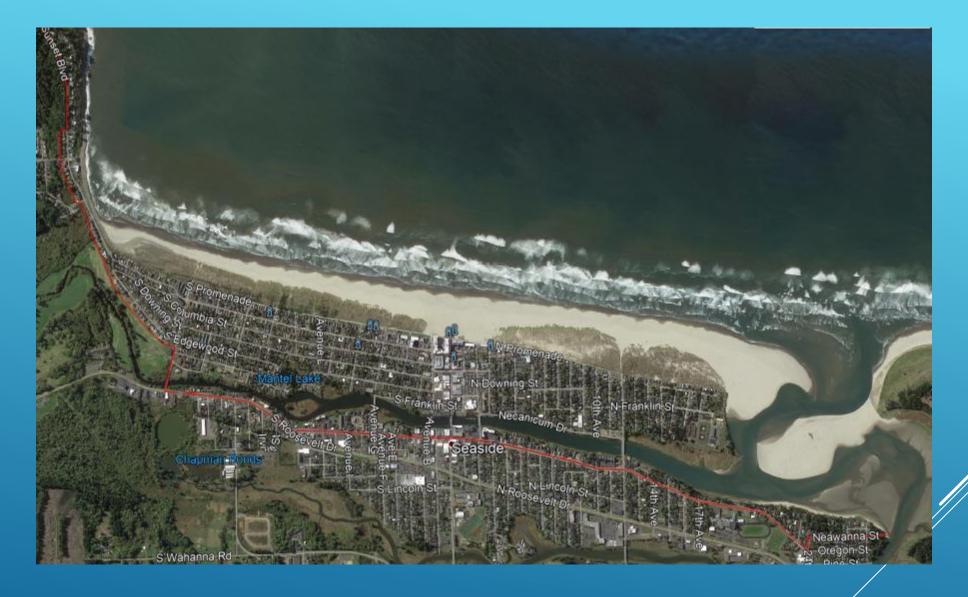
## LAND USE APPLICATIONS

## Transient Rental Inventory



- Current policies have created an area where VRD applications are supported and areas that are traditionally dominated by full time residential use.
- > The current supported area is generally located:
  - West of S Roosevelt Dr (excluding the Ocean Cove Estates and the Rose Creek Subdivisions).
  - West of North and South Holladay.
  - West of Neawanna St.
- ► The VRD Supported Area Map is available on the City of Seaside Website.

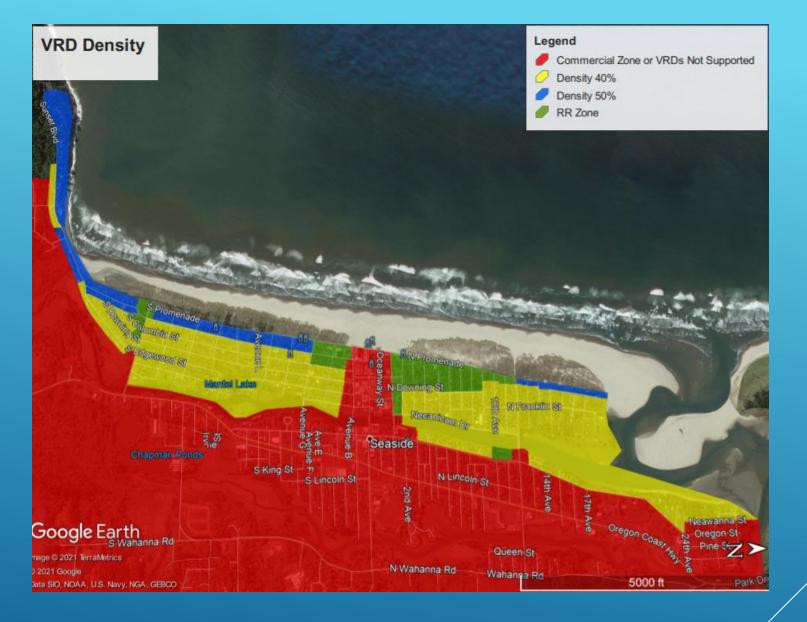
## VRD SUPPORTED AREAS



VRD SUPPORTED AREAS

- The current policy is for the Planning Commission to not support applications whose density of VRDs within 100' exceeds 40% or 50% depending on their location within the supported area.
- ➤ The spatial distribution policy applies to dwellings located in the R-2 and R-3 zones.
- The Resort Residential (R-R) zone lists motels/hotels as an outright permitted use. The spatial distribution policy does not apply to dwellings in the Resort Residential zone.
- VRDs are not an outright permitted or conditionally permitted use in the Commercial zones. This eliminates the eligibility of the single-family and multi-family dwellings located in the supported area but zoned commercially.
- The Spatial Distribution Map is available on the City of Seaside webpage and it shows the distribution percentages for the different parts of the VRD supported area.

## VRD SPATIAL DISTRIBUTION

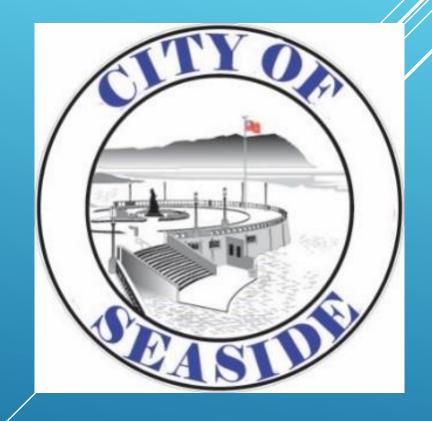


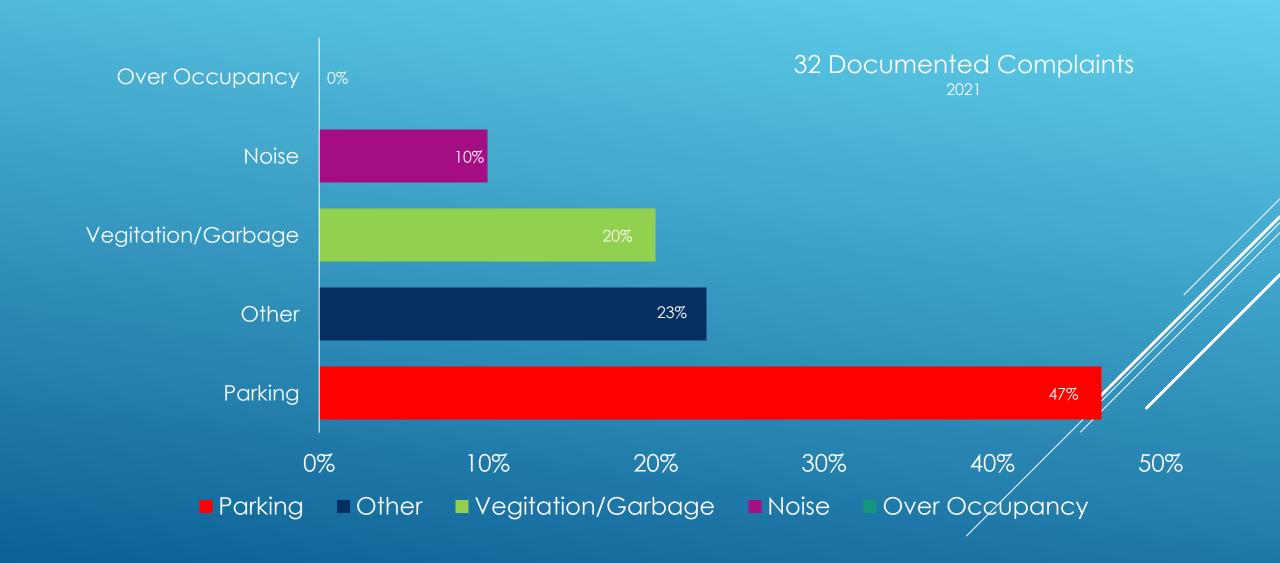
## VRD SPATIAL DISTRIBUTION

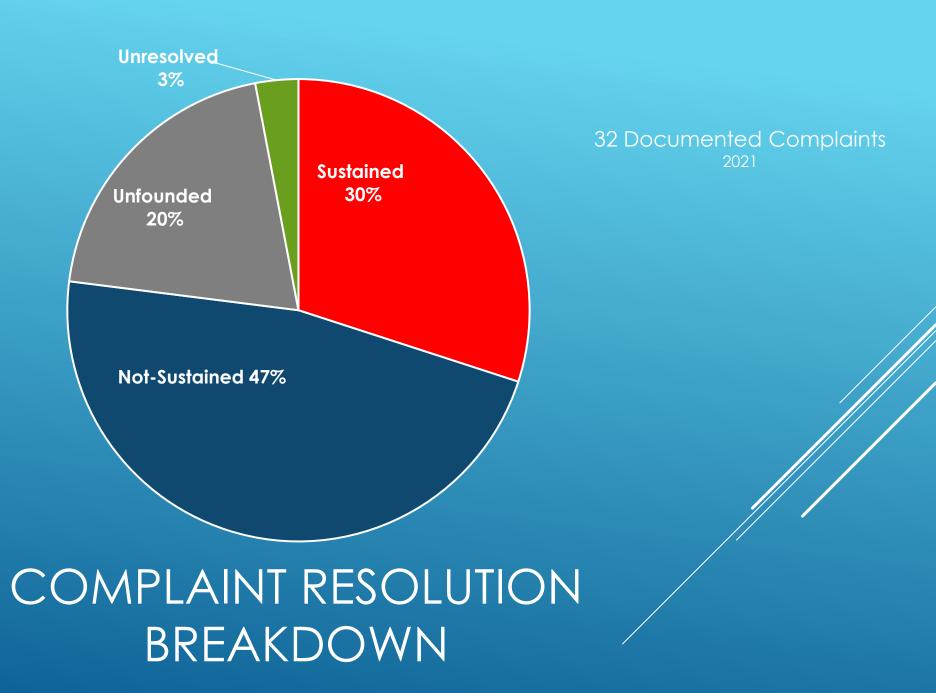
- The Seaside Zoning Ordinance Section 6.137 requires a Planning Commission review of all VRD applications whose density exceeds 20%.
- Neighborhoods who have multiple existing VRDs will start to see an increase in Planning Commission reviews of each new application due to the spatial distribution requirements.
- > Some areas are already reaching the 40% and 50% threshold of permitted VRDs.
- Recently several single-family homes have gone for sale that exceed the density thresholds. More will be above that threshold as VRD conditional use permits continue to fill in the supported area.

## VRD SPATIAL DISTRIBUTION

# VACATION RENTAL COMPLAINTS

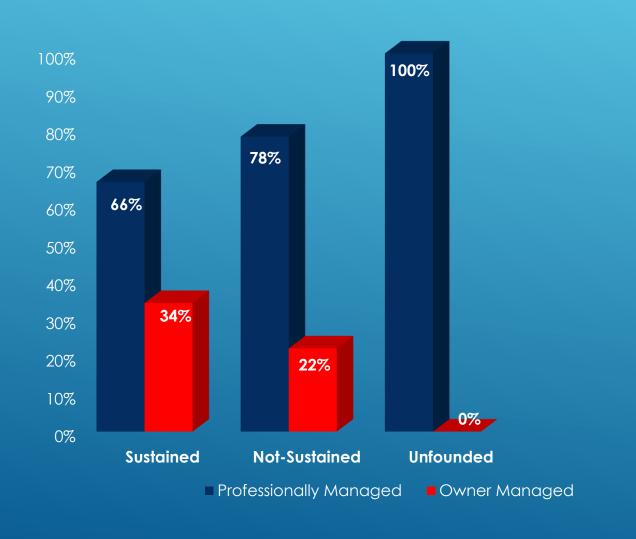


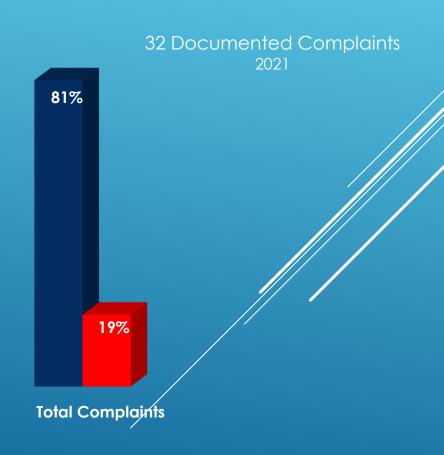




Approximately 63% of Seaside VRDs are managed by a Property Management Company.

## Professionally Managed Vs. Owner Managed





- Previously we had the local contact list accessible through the old City of Seaside website.
- The new website has a similar webform that makes obtaining the Local Contact information even easier.
- Users can fill out a quick webform and a link will be e-mailed to them that goes to an interactive map.

## **Vacation Rental Local Contact Information**

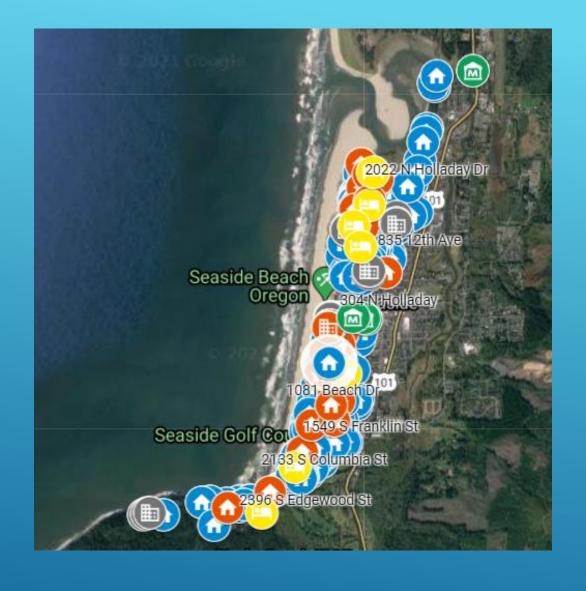
To access the local contact information for a Vacation Rental Dwelling please complete the following form. Once completed an e-mail will be sent to you with a link to the Local Contact Map. Please be sure to check your junk e-mail box if you do not recieve an e-mail.

| Your Name *           |  |  |
|-----------------------|--|--|
|                       |  |  |
| Your Street Address * |  |  |
|                       |  |  |
| Your Phone Number *   |  |  |
|                       |  |  |
| Your E-mail Address * |  |  |
|                       |  |  |
| Submit                |  |  |

## LOCAL CONTACT ACCESSIBILITY

- The Interactive map shows all permitted and pending short term rentals.
- Easily searchable by address.
- Ability to zoom in on a neighborhood and locate the property in question.
- Map is updated in real time and a property's current local contact information is easily accessible.

## LOCAL CONTACT MAP



LOCAL CONTACT MAP





LODGING REVS/ MUNI REVS

- All short-term rental data is uploaded into a searchable records management system.
- Gives us the ability to quickly access each rentals Conditions of Use, parking map, and owner/manager contact information.
- Renewing through MuniREVS gave us the ability to capture about 350 e-mail addresses as well as update the current contact information of short term rental owners.

## RENEWAL PROCESS

- Through our renewal process for the 2021 business license we were able to capture e-mail addresses and create a mailing list for short-term rental owners.
- Having this mailing list allows us to send periodic updates to events and things happening in Seaside.
- These updates give us an opportunity to push out information as it relates to common compliance issues and start a dialog that helps the operation of the VRDs to not have a negative impact on the surrounding neighbors.

# REGULAR UPDATES TO VRD OWNERS AND PROPERTY MANAGERS

- About 231 of our short-term rental permits require annual or 5-year compliance inspections.
- Currently there is a back log of 96 inspections that need to be completed.
- Inspections were scheduled to start last fall with the goal of completing the back log by spring break 2021 but due to the Covid-19 risk level changes we suspended the inspections.
- As Covid-19 cases decrease, we will hopefully soon be able to start scheduling compliance inspections with a goal of getting through the back log by spring break of 2022.

# ANNUAL & 5-YEAR COMPLIANCE INSPECTIONS

## QUESTIONS?

Greetings Council, Planning Commission and Staff,

I would like to commend Jeff for the fine job he's done in implementing the last policy changes made in the fall of 2019. He is a true asset to our City in communicating and problem solving. The policy changes were adopted to discourage and limit the growth of vacation rentals for which I consider my industry. These polices included "limiting density and the number of VRD's in the City to ensure the limited zone already in place is a good balance for the community.

I want to emphasize that we already have reasonable solutions in place to control the growth of VRDs. It is my impression these policies are working and don't need to be changed. At Seaside Vacation Homes we are finding the percentage density policy is achieving the intended goals. For the first time in 30 years and on multiple occasions, Jeff has announced the density calculation had been reached.

The percentage limitation is now compounding the historical reality we were already disallowing permits in certain locations due to parking and structural issues. There has always been people with second homes in our city. Having the ability to utilize these homes as vacation rentals is an asset to the city's coffers, our visitor, and most importantly, and our business community. When homes change ownership it has become a major challenge and an expensive one to get permitted even though the home had previously been a vacation rental for years with no problems.

I feel my industry is underrepresented at the city policy level compared to hotels. That being the case I am concerned vacation rentals become an easy target. It feels like the proposed policy changes are pointed at the molehill (VRD's) while ignoring the mountain (system development fees and applicable land). I request your consideration that policies be appropriately directed to the real needs of "purpose-build structures" by annexing non-second home owner lands east of the river and addressing the high system development costs. These are the actual barriers impacting available housing. Rather than playing with the density rules these two areas should be the focus.

Annexing affordable land to develop with subsidies for developers to construct "purpose-build structures" provides viable solutions far more significant than putting additional restrictions on my business. Please keep in mind the vacation rentals in the VRD zone are historically unoccupied most of the year. A fact that is often overlooked.

Thank You For Your Service To Our Community,

Mark Tolan

Seaside Vacation Homes

**Seaside Vacation Homes** 

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#### To whom it may concern:

I have been a small business owner in Seaside for over 30 years. During that time there have been so many changes. Some of those changes have been mutually beneficial for our community, and for the many Vacation Rental Properties.

The most recent notable change that has been the most beneficial for everyone has been the addition of Jeff Flory. He has been a real asset to the city, and vital in the success of our industries long term survival in Seaside. He has been readily available for us anytime we have questions or need any guidance regarding current or potential VRD properties. We couldn't imagine a better fit for the position, and look forward to working with him in the years ahead.

We have worked very hard over the years to put in process & procedures to make sure our guests know what is expected when renting a VRD in Seaside. We ask questions of our guests as we screen them to ensure they are a right fit for the property they want, and to confirm the details of their group are within the criteria that property has been licensed for. The average guest has no idea that properties are licensed through the city then approved with a specific set of guidelines, or how that apply to them during their vacation. Having different properties with such a wide variety of different rules & guidelines does make it challenging for our guests. The feedback we have been getting from our guests is that Seaside has started to become uninviting with all the rules, and things they can't do.

Following the rules has been a priority in the way we run the business from the start. The processes that we have set-up are in place from the first interaction with a guest, all the way through until the guest vacates the property at check-out. This is how we have achieved being a good neighbor and keeping any complaints to an absolute minimum.

The VRD's in Seaside, managed by locally owned/operated management companies are the properties with the least amount of complaints or long term issues. We each take an active role in all our properties, often coming together and working as a team with each other to help each other succeed. That is what Seaside is all about – Community, Family, Friends, Teamwork, and being there for each other. We are not only in it for the money – like some of the other larger companies that only see Seaside Tourism as \$\$\$ Dollar Signs. The locally owned/operated management companies provide a lot of positives to the community, like year round employment, tax dollars, money spent to local businesses, we live in the community with our families, just to name a few. The city should offer

an incentive for new/existing VRD Property Owners having their property managed by a locally owned company – maybe a reduction on the annual business license? Being a locally owned business we are also part of the community. Seaside is our home, where our kids go to school, where we buy our groceries, get our gas, and where we live our everyday lives.

In my experience the majority of guests that stay at VRD's are families, that are here staying several days to several weeks at a time. These are the guests that are going downtown spending their money at the local stores & shops, eating at the restaurants, getting gas & groceries here in Seaside. These are not the guests that are just staying 1 night at a hotel as they pass through. Guests that stay at VRD's are what keep Seaside thriving & continuing to grow. The city benefits from the tax money, and the community benefits from the money being spent in the stores/shops as well.

The hospitality industry is a balancing act to find the right supply to demand ratio, and know once you are there how to maintain positive growth of the community. There comes a point when there are too many hotel, motels, VRD, cabins, campsites, and just to many options for places to stay. If you keep adding to the transient housing pool and do not add anything to cause additional demand to come to the area eventually it will drive the rates way down for everyone across the board leaving business and property owner's not being able to thrive.

We would welcome finding the right supply to demand ratio for seaside when it comes to all lodging not just VRD's, find a solution to the housing shortage here (affordable housing) and consistency for all properties. The feedback we have started to see from guests is that there are more things you can't do or rules, and has started making Seaside very uninviting.

Respectfully,

Sharon Rauwolf

Sharon Rauwolf

Local Small Business Owner of:

**Oceanside Vacation Rentals** 

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