



# City of Stevenson Planning Department

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**TO:** City Council  
**FROM:** Ben Shumaker  
**DATE:** February 18<sup>th</sup>, 2016  
**SUBJECT:** Overnight Lodging Public Involvement Summary

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## Introduction

The memo provides the City Council with an incomplete summary of the public involvement measures taken by the Planning Department leading up to the Planning Commission's recommended code updates. These measures are presented as chronologically as possible and include key findings from the efforts. This memo should be treated as a companion memo to the four other staff reports prepared for this issue. A comprehensive compendium of all the public involvement efforts is available upon request.

## Problem Identification

### 2013 Conditional Use Denial

Concerns about the City's overnight lodging program began in 2013 as the City was finalizing the update of the Comprehensive Plan. These concerns centered on a conditional use proposal for a vacation rental home, which staff mistakenly categorized as "Bed and Breakfast or Tourist Home" in its report to the Planning Commission. This error in interpretation was compounded by errors in the public notification procedure. The errors were addressed by delaying the decision until appropriate public notices were distributed and ultimately denying the request as inconsistent with the Zoning Code.

### **Key Findings:**

1. The impacts of vacation rental homes differ from hotels, motels, and bed and breakfasts because their guests are not supervised by on-site management.
2. The public is uncomfortable by the idea of vacation rental homes appearing in their neighborhood without their knowledge.
3. The Zoning Code's use categories and definitions of overnight lodging lack clarity.
4. The Zoning Code's silence (and resulting prohibition) of vacation rental homes in residential areas may not be in line with current trends/desires.

### Non-Enforcement of Prohibition

Public discourse about the 2013 conditional use proposal revealed that existing homes in Stevenson were being advertised and used as vacation rental homes despite the prohibition. The owners of these homes were "allowed" to continue because they had never asked for the City's permission and therefore never been told about its prohibition. City nuisance enforcement policies did not proactively target these uses and no public complaints were received to generate reactive investigation/enforcement.

### **Key Findings:**

5. The market for vacation rental homes exists in Stevenson.
6. Home owners largely avoid the City when considering using their home for vacation rental purposes.
7. Existing vacation rental homes did not generate complaints to the City from their neighbors.

### Lodging Tax Receipts

City Council discourse about the existence and non-enforcement of vacation rental homes led to concerns their operation in a black market and avoidance of the transient lodging tax paid by the overnight guests of other businesses. Individual Council members expressed the desire to rectify this.

#### **Key Findings:**

8. Vacation rental homes are subject to the same collection of transient lodging taxes as hotels, motels, and bed and breakfasts.
9. Not all of the existing vacation rental homes pay taxes as required.

### 2015 Amendment Process

Sensing the inconsistency between findings 1, 2 and 7, desiring overcome findings 3 and 4, and acknowledging the need to cope with the problems associated with the remaining findings, the Planning Commission decided to make overnight lodging regulations the focus of their 2015 work plan.

### Project Kick-Off

The Planning Commission's review of the issue began at their May meeting, where they reviewed the Zoning Code's current use categories, definitions, and the locations where various types of overnight lodging were contemplated. The meeting also saw them determine the preliminary scope of the update process and develop their public involvement strategy for this issue.

#### **Key Findings:**

10. Zoning Code definitions and use categories are inconsistent and not exhaustive.
11. Referring to the issue as "Transient Lodging" elicits unnecessary negative connotations.
12. The issue is important and requires a robust public involvement strategy including Planning Commission workshops, press releases, and a community questionnaire.

### Community Questionnaire/Results Workshop

A questionnaire was made available through [www.surveymonkey.com](http://www.surveymonkey.com) for public responses during the entire month of July, 2015. A link to the questionnaire was posted on the City website and emailed directly to individuals currently providing overnight lodging, individuals recently inquiring about overnight lodging, and area realtors. The *Skamania County Pioneer*, the Chamber of Commerce, and the Economic Development Council were engaged as partners and asked to share the link to the questionnaire with their email contact lists and/or on their websites/Facebook pages. This public involvement effort led to 114 individual respondents. The questionnaire was discussed at the August Planning Commission Workshop, where public concerns emerged about the City's ability to regulate Vacation Rental Homes in light of a State Supreme Court decision.

#### **Key Findings:**

13. This issue is important to the public.
14. Hotels (54%) and Vacation Rental Homes (54%) are the two forms of overnight lodging most in-demand based on respondents own travels, neighborhood, and future desire to provide.
15. Parking congestion (38%) is the disruptions of most concern for respondents.
16. Camping (14%) is seen as the least appropriate form of overnight lodging in Stevenson.
17. State Supreme decisions need to be reviewed before proceeding.

### Workshop- Case Law

In September, 2015 the Planning Commission held a workshop with 13 members of the public to review case law on Vacation Rentals. Cases considered include a Supreme Court case (*Wilkinson v. Chivama*) and Court of Appeals case (*Ross v. Bennett*).

## **Key Findings:**

18. State Supreme Court decisions create nuances, but no direct case law, for the City to consider.
19. The nuances focus on the Courts' determination that occupancy of a single family home by short term vacationers has a similar impact on the neighborhood as occupancy by full-time residents

### Iterative Workshops-Vacation Rental Best Practices, Regulatory Tools, Policy Stances

In September, October, and November, 2015 the Planning Commission held workshops with 13, 4, and 7 members of the public to define and refine Stevenson's approach to regulation. The 23 tools and 8 policy positions presented in September were pared to 16 tools and 7 policy stances for October, further refined to 10 tools for November. The recommended draft reviewed by the Planning Commission and 5 members of the public in December incorporates 8 required tools and 2 advisory tools based on the 5 policy stances the Planning Commission deemed to be important for Stevenson.

20. The issue continued to be important to the public throughout the process.
21. Two policy stances were specifically not addressed by the Planning Commission and left to City Council in the determination of fees.

### Mailing List

Beginning after the August workshop, and continuing throughout the public involvement effort, City staff developed a mailing list of 20 community members interested in the overnight lodging update. Information was sent out to the mailing list prior to each workshop workshops and hearings (including tonight) and at key milestones in the update process.

### 2016 Recommended Draft

In reviewing the Planning Commission's recommendation, the City Council has the final say in this public involvement effort and the method by which the City addresses the key findings. Inconsistencies between findings 1, 2, 7, and 19 are mostly resolved by the recommended suite of tools. The recommended update to the Zoning Code (Title 17) addresses findings 3, 4, 5, 10, 11, 14, 16, 17, 18 and 19. The recommended addition to Title 5 addresses findings 8, 9, 12, 13, 17, 19 and 20. Finding 6 will be an ongoing management problem for City staff to address. Finding 15 was addressed on an advisory level in Title 5, and no changes were deemed necessary in Title 17.

The City Council decisions will decide how Finding 21 is addressed.

Prepared by,

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