



# City of Stevenson

## Planning Department

6.a(3)

(509)427-5970

7121 E Loop Road, PO Box 371  
Stevenson, Washington 98648

**TO:** City Council  
**FROM:** Ben Shumaker  
**DATE:** February 18<sup>th</sup>, 2016  
**SUBJECT:** Vacation Rental Program/Licensing Code

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### **Introduction**

The memo presents the Planning Commission's recommended addition to the Stevenson Municipal Code to create a licensing program for Vacation Rental Homes. The recommended program stands alone from the Zoning Code, and in the vast majority of vacation rental proposals, this licensing program would be provided the only City review/approval.

### **Program Handouts**

The administrative materials necessary to implement the Vacation Rental Program were presented to the City Council at their January meeting, and included draft versions of the 1) application form, 2) license form, 3) Good Neighbor Guidelines, 4) neighborhood notice, and 5) vacation rental complaint form. These handouts can be referred to again as an indication of what the public and regulated public will see when they encounter the Vacation Rental Program in practice.

### **Municipal Code Text**

Attachment 1 presents the 7 draft pages of code that underlie the Vacation Rental Program. This would be a new chapter in the code and would be housed in Title 5- Business Taxes, Licenses and Regulations.

### **Draft Ordinance 2016-1091**

Attachment 2 is document recommended for approval by the Planning Commission.

Prepared by,

Ben Shumaker  
Planning Director

Attachments

1. Text Amendment
2. Draft Ordinance 2016-1091

**Title 5 – Business Taxes, Licenses and Regulations**

Chapter 5.04 – General Provisions

Chapter 5.08 – Peddlers and Solicitors

Chapter 5.12 – Public Dances

Chapter 5.16 – Garage Sales

**Chapter 5.20 – Vacation Rental Homes (Proposed)****Chapter 5.20 – Vacation Rental Homes [Proposed]**

5.20.005 – Findings, Intent and Purpose.

- A. In the adoption of these regulations, the city finds that the rental of dwelling units for less than 30 days is an important contributor to the Comprehensive Plan’s tourism goal. The City also finds that these vacation rentals are part of an emerging market that has the potential to be incompatible with surrounding residential uses.
- B. The regulations below are intended to ensure special regulation of vacation rentals that will:
  1. Benefit the local economy,
  2. Reduce administrative burdens and barriers to entry,
  3. Ensure market fairness and taxation,
  4. Protect guests, and
  5. Avoid unchecked neighborhood disruptions.
- C. This chapter provides an administrative framework for licensing the annual operation of a vacation rental home. A vacation rental home license is a limited permission to use property for vacation rental purposes. A license may be modified or revoked if the standards of this chapter are not met.

5.20.010 – Definitions.

As used in this chapter, the following definitions shall apply unless the context clearly indicates or requires a different meaning.

- A. Contact Person. The owner or, if designated on the application for a license, the management representative authorized to act for the owner.
- B. Dwelling Unit. One or more rooms occupied, designed or intended for occupancy as separate living quarters, and containing four (4) or more of the following:
  1. Refrigeration,
  2. Cooking facility (including cooking stove, hot plate, range hood, microwave, or similar appliance) or wiring or venting to support same,
  3. Dishwashing machine,
  4. Sink intended for meal preparation (not including a wet bar),
  5. Garbage Disposal,
  6. Toilet,
  7. Shower or bathtub.
- C. Local Area. All areas in the Washington counties of Clark, Klickitat and Skamania and the Oregon counties of Hood River and Multnomah.

- D. Owner. The natural person or legal entity that owns and holds legal and/or equitable title to the property.
- E. Remuneration. Compensation, money, rent or other bargained for consideration given in return for use, rent, or occupancy of a vacation rental home.
- F. Vacation Rental Home. A dwelling unit for which an owner receives or seeks remuneration for use or occupancy for a period of less than 30 consecutive days per rental period.
- G. Vacation Rental License or License. The regulatory license required by SMC 5.20.15 and described in this chapter.

#### 5.20.015 –Vacation Rental License Required.

No owner of property within the Stevenson city limits may advertise, offer, operate, rent, receive remuneration for, or otherwise make available or allow any other person to make available for occupancy or use a vacation rental home without a vacation rental license. Advertise or offer includes through any media, whether written, electronic, web-based, digital, mobile or otherwise.

#### 5.20.020 – Application and Fee.

- A. Application required. An application for a vacation rental license shall be completed and submitted to the City on a form provided by the City. The application shall be signed by the owner or contact person and contain the following information:
  - 1. Owner Information. Owner's name, permanent residence address, telephone number, owner's mailing address, and the vacation rental home address and telephone number.
  - 2. Contact Person Information. If the owner does not permanently reside in the local area or is not always available when the property is being rented, the owner shall provide the name, telephone number and email of a contact person from the local area to represent the owner regarding the use of the property and/or complaints related to the vacation rental home as set forth in SMC 5.20.040(C).
  - 3. Tax Information. A statement of intent to collect and remit all taxes associated with the vacation rental home.
  - 4. Inspection Access. A statement allowing the City reasonable access to the property for the purpose of reviewing the proposal for the health and safety requirements set forth in SMC 5.20.040(D).
  - 5. Right to Publish Contact Information. A statement allowing the City to make owner and contact person phone numbers publicly available.
  - 6. Neighborhood Notice. A statement of intent to notify neighbors as required by SMC 5.20.040(A).
  - 7. Good Neighbor Guidelines. A statement of intent to provide the City-provided Good Neighbor Guidelines to guests of the vacation rental home.
  - 8. Parking Diagram. A statement of intent to provide guests of the vacation rental home with a diagram of parking spaces that are available to or intended for use by the vacation rental home.
  - 9. Liability Insurance. A statement of intent to provide liability insurance coverage as required by SMC 5.20.040(G).

10. Such other information as the City Administrator deems reasonably necessary to administer this chapter.

- B. Application Fee. Applications under this section shall be accompanied by a nonrefundable fee payable to the city in an amount established and periodically adjusted by the City Council. Application fees may be prorated if issued for less than half of the annual term. At the discretion of the City Administrator, the application fee may include the actual costs for labor, overhead, and expenses for outside consultant reviews and/or special inspections.

#### 5.20.025 – Term of Annual License.

A vacation rental license shall be issued for a period not to exceed one year, with its effective date running from the date the license is issued to December 31<sup>st</sup> and may be renewed annually by the owner or contact person provided all applicable standards of this chapter are met.

#### 5.20.030 – Licensing and Renewal Procedures.

A vacation rental license shall be obtained and/or renewed as required in this section. The ability to operate a vacation rental home in the City of Stevenson shall be discontinued for failure to obtain or renew a license to operate as provided in this chapter.

- A. Application and Renewal Process. A person engaging in operation of a vacation rental home who has not yet obtained a license, or who is required to renew an existing operating license, shall do so as follows:
1. Time for Application.
    - a. New Licenses. For new vacation rental licenses, it is the responsibility of the owner or contact person to apply for and receive a license prior to operation of a vacation rental home.
    - b. Existing Vacation Rental Homes. A completed license renewal application and renewal fee is due for all existing short-term rentals on March 31<sup>st</sup>, 2016.
  2. Notice. Prior to the December 31<sup>st</sup> annual due date, the City shall send notice of the need for a license or expiration of a license to the owner of any property for which an application is due as follows:
    - a. For the first license required for any vacation rental home in the City, it is the owner's obligation and responsibility to apply for a license.
    - b. For license renewal, notice will be sent to the mailing and email addresses of the owner and contact person as provided to the City on the application.
- B. License Expiration. For failure to submit an application, upon expiration of the 30-day late period, the ability to operate shall be conclusively presumed to be discontinued with no further action by the City. For renewals, upon expiration of the late period, the ability to operate shall be conclusively presumed to be discontinued and the City will commence revocation of the license pursuant to the procedures in SMC 5.20.045.

#### 5.20.035 – Criteria for Approval and Renewal of a License.

- A. New License. Upon receipt of a complete application for a new vacation rental license and payment of all required fees, the City Administrator or designee will issue a vacation rental license.

- B. License Renewal. Upon receipt of a complete application for renewal of a vacation rental license and payment of all required fees. The City will review the application and available information to determine compliance with the operational requirements of SMC 5.20.040. If not met, the City Administrator or designee will not renew the license and the property shall not be used as a vacation rental home. Alternatively, the City Administrator may issue the license subject to reasonable special operational standards.
- C. Owner's Role. The owner has the burden of proof to demonstrate compliance with each operational requirement and special standard placed on the vacation rental license. Staff may verify evidence submitted and the applicant shall cooperate fully in any investigation.
- D. Appeals. A decision on a license application or renewal may be appealed as provided in SMC 5.20.055.

#### 5.20.040 – Operational Requirements.

- A. Notice to Neighbors. The owner or contact person shall provide an annual mailing or otherwise distribute by hand, a flier to all property owners of record and/or occupants within a radius of 300 feet of the exterior boundaries of the property licensed as a vacation rental home. The notice shall include the license number and the telephone number of the owner and contact person. The purpose of this notice is so that neighboring property owners and residents can contact a responsible person to report and request resolution of problems associated with the operation of the vacation rental home. If the permanent contact information changes during the license period, the new information must be mailed or distributed again.
- B. Electronic Availability. In addition, the City will make a database electronically accessible within which any person can obtain the owner and contact person's name and telephone number. If the permanent contact information changes during the license period, the new information must be provided to the City.
- C. Response to Complaints. The owner or contact person shall respond to neighborhood questions, concerns, or complaints in a reasonably timely manner depending on the circumstances.
  - 1. Owner Responsibility. Reasonable initial inquiries or complaints related to the expectations set in the Good Neighbor Guidelines may first be made to the owner or contact person. However, it is not intended that the owner or contact person act as a peace officer or code enforcement officer of the City or put themselves in an at-risk situation. In such cases, the owner or contact person should contact the City to discuss resolution of the complaint.
  - 2. Complaint Log. The owner or contact person should maintain a record of complaints and the actions taken in response to the complaint, if relevant, in a manner reasonable to document the interaction. If kept, this record can then be made available for City inspection upon request.
  - 3. City Authority. If there is a failure to respond or a clearly inadequate response by the owner or contact person, a complaint may be submitted to the City on a form provided by the City, and the City will respond or investigate as needed. The City will first seek voluntary compliance or resolution, but if the City finds substantial evidence supports

further action given the complaint(s), the City will follow the warning and revocation procedures set forth in SMC 5.20.045.

4. Records. On request and in compliance with the public records law, the City shall provide the owner and/or contact person with the information in the complaint.
  5. Grounds for Warning. Repeated failure of the owner or representative to timely and reasonably respond to a complaint(s) relayed by City staff is considered grounds for a warning and potential revocation under SMC 5.20.045. Repeated noise complaints regarding tenants may be grounds for a warning to the owner, if, in the reasonable judgment of the City Administrator, the circumstances indicate the owner should be held responsible. Initiating a nuisance enforcement action under SMC 8.45 or SMC 8.60 may be grounds for a warning in the appropriate circumstances.
  6. Administrative Rules. The City Administrator may establish administrative rules to interpret, clarify, carry out, and enforce the provisions of this chapter. A copy of such administrative rules shall be on file and made available at City Hall.
- D. Health & Safety. Every vacation rental license shall be subject to inspection by the Building Official or designee at the City's discretion, but no less than once every 5 years. The purpose of the inspection is to determine conformance with the Vacation Rental Fire Safety Checklist (fire extinguishers, smoke alarms, carbon monoxide detectors, etc.). It is the owner's responsibility to assure that deficiencies identified in the checklist are addressed and that the vacation rental home is and remains in substantial compliance with all applicable fire, building, and safety codes and other relevant laws, whether identified on the vacation rental fire safety checklist or not.
- E. Taxation. The owner shall fully comply with all applicable City and State tax reporting and payment requirements, especially lodging taxes due to the City under SMC 3.03 and retail sales and use taxes due under SMC 3.08.
- F. Mandatory Postings. Important information related to the licensing and use of the vacation rental home shall be displayed in a prominent location within the interior of the dwelling, either adjacent to the front door or in a highly visible rental binder. The information shall include:
1. The vacation rental license;
  2. Any special standards placed on the vacation rental license;
  3. The property address.
  4. The name of the owner and contact person and a telephone number where the owner and contact person may be contacted;
  5. The parking diagram of the parking spaces available for use by the vacation rental home. The Parking Diagram may include on-street parking areas, but on-street parking is not for the exclusive use of any home or vacation rental home;
  6. The City-provided Good Neighbor Guidelines. Additionally, the City encourages all owners to incorporate the Good Neighbor Guidelines into the rental contract.
- G. Liability Insurance. The owner shall maintain liability insurance which expressly covers the dwelling unit's use as a vacation rental home.

#### 5.20.045 – Revocation Procedure.

- A. In addition to the penalties described in SMC 5.20.050, the following provisions apply to violations of this chapter:
1. Failure to renew a license as set forth in SMC 5.20.030 is grounds for immediate revocation of the vacation rental license.
  2. Failure to meet the operational requirements of SMC 5.20.040(E) is grounds for immediate revocation of the license.
  3. The discovery of material misstatements or providing of false information in the application or renewal process is grounds for immediate revocation of the license.
  4. Such other violations of this chapter of sufficient severity in the reasonable judgement of the City Administrator, so as to provide reasonable grounds for immediate revocation of the license.
  5. Other violations of this chapter, including but not limited to City initiated investigation/sustaining of complaints, shall be processed as follows:
    - a. For the first and second violations within a 12-month period, the sanction shall be a warning notice.
    - b. If the same offense continues to occur or a third similar offense occurs at any time during a 12 month-period, the City may either issue a third warning, update the license to include reasonable special operational standards, or revoke the license.
- B. Notice of Decision/Appeal/Stay. If the vacation rental license is updated or revoked as provided in this section, the City Administrator shall send written notice to the owner stating the basis for the decision. The notice shall include information about the right to appeal the decision and the procedure for filing an appeal. The owner may appeal the City Administrator's decision under the procedures set forth in SMC 5.20.055. Upon receipt of an appeal, the City Administrator shall stay the update or revocation decision until the appeal has been finally determined by the City Council.

#### 5.20.050 – Violations—Penalties.

- A. In addition to the revocation procedures of SMC 5.20.045, any person or owner who uses, or allows the use of, property in violation of this chapter is subject to the enforcement authority of SMC 1.18 – Civil Violation and Abatement, SMC 8.45 – Nuisances, and/or SMC 8.60 – Public Nuisances. Each day a dwelling is used in violation of this chapter shall be considered a separate violation.
- B. The following conduct also constitutes a violation of this chapter and is a Class I Civil Infraction:
1. Representing a dwelling as available for occupancy or rent as a vacation rental home where the owner does not hold a valid license issued under this chapter, or making a vacation rental home available for use, occupancy or rent without first obtaining a valid operating license;
  2. Advertising or renting a short-term rental in a manner that does not comply with the standards of this chapter; and
  3. Failure to comply with the operational requirements of SMC 5.20.040.

#### 5.20.055 – Appeals of Vacation Rental License Determinations.

- A. Appellant – Standing. The owner or contact person may appeal a decision by the City to deny, revoke or attach special operational standards to a vacation rental license.
- B. Authority to Decide Appeal. The City Council shall be responsible for determining an appeal of a decision brought under SMC 5.20.055(A).
- C. Time for Filing. An appellant is required to file a written notice of appeal including the basis for the appeal within 14 calendar days of the license determination being appealed. This requirement is jurisdictional and late filings shall not be allowed.
- D. Fee for Appeal. The City Council may establish by resolution a fee for filing an appeal, which shall be jurisdictional.
- E. Hearing. After receiving written notice of appeal, the City Administrator shall schedule a hearing on the appeal before the City Council. At the hearing, the appellant shall have the opportunity to present evidence and arguments as may be relevant. The Council may direct the City Attorney to draft findings of fact and interpretations of code or law to be considered at a later Council meeting.
- F. Standard of Review and Decision. The Council shall determine whether the City's decision was based on a preponderance of the evidence. A decision of the Council shall be based on the evidence received, in writing and signed by the mayor, and issued no later than 30 calendar days after the close of the hearing.
- G. Finality. The Council's decision shall be final on the date of mailing the decision to the appellant. The Council's decision is the final decision of the City and is appealable only by writ of review to Superior Court.

#### 5.20.060 – Discontinuance of Vacation Rental Occupancy.

- A. After Revocation. After a vacation rental license has been revoked, the dwelling unit may not be used or occupied as a vacation rental home unless a new license is issued, and the owner of the property to which the license applied and whose license has been revoked shall not be eligible to reapply for a vacation rental license for vacation rental home on the same property for a period of 12 months from the date of revocation.
- B. After Expiration. If a vacation rental license expires, the dwelling unit may not be used or occupied as a vacation rental home. The owner of the property to which the license applied and whose license has expired shall be required to apply for and obtain a vacation rental license before the property may be lawfully used or occupied as a vacation rental home.

#### 5.20.065 – Remedies Not Exclusive.

The remedies provided in this chapter are in addition to, and not in lieu of, all other legal remedies, criminal and civil, which may be pursued by the City to address any violation of this code.

CITY OF STEVENSON, WASHINGTON

ORDINANCE NO. 2016-1091

**AN ORDINANCE ADOPTING LICENSING PROCEDURES AND OPERATIONAL STANDARDS FOR VACATION RENTAL HOMES.**

RECITALS

WHEREAS, Goal 6 of the Stevenson Comprehensive Plan relates to tourism in Stevenson and envisions a future where “Stevenson attracts visitors by providing and promoting a variety of tourist amenities and activities.”, and

WHEREAS, explosive growth in the market for vacation rental homes has firmly identified them as a desirable tourist amenities; and

WHEREAS, the City Council deems annual licensing and ongoing operational standards for vacation rental homes as an important method of achieving Objective 6.1 of the Stevenson Comprehensive Plan and for securing and promoting the health, safety and general welfare of the people of the City; and

WHEREAS, the City has determined these regulations to be exempt from threshold determination under the State Environmental Policy Act under the Categorical Exemption in WAC 197-11-800(19)(a);

WHEREAS, the Planning Commission and City Council have given due public notice of hearings relating to this ordinance and have held such hearings;

AND WHEREAS, the Planning Commission has reviewed and recommended that the City Council approve these regulations.

NOW, THEREFORE, the City Council of the City of Stevenson do ordain as follows:

**Section 1-** THAT, a new chapter shall be added to the Stevenson Municipal Code as Chapter 5.20 Vacation Rental Homes.

**Section 2-** THAT, the following shall be added to Stevenson Municipal Code Chapter 5.20: “SMC 5.20.005 – Findings, Intent and Purpose.

**2.A-** A. In the adoption of these regulations, the City that the rental of dwelling units for less than 30 days is an important contributor to the Comprehensive Plan’s tourism goal. The City also finds that these vacation rentals are part of an emerging market that has the potential to be incompatible with surrounding residential uses.

**2.B-** B. The regulations below are intended to ensure special regulation of vacation rentals that will:

1. Benefit the local economy,
2. Reduce administrative burdens and barriers to entry,
3. Ensure market fairness and taxation,
4. Protect guests, and
5. Avoid unchecked neighborhood disruptions.

**2.C-** C. This chapter provides an administrative framework for licensing the annual operation of a vacation rental home. A vacation rental home license is a limited permission to use property for vacation rental purposes. A license may be modified or revoked if the standards of this chapter are not met.”

**Section 3-** THAT, the following shall be added to Stevenson Municipal Code Chapter 5.20: “SMC 5.20.010 – Definitions. As used in this chapter, the following definitions shall apply unless the context clearly indicates or requires a different meaning.

**3.A-** A. Contact Person. The owner or, if designated on the application for a license, the management representative authorized to act for the owner.

**3.B-** B. Dwelling Unit. One or more rooms occupied, designed or intended for occupancy as separate living quarters, and containing four (4) or more of the following:

1. Refrigeration,
2. Cooking facility (including cooking stove, hot plate, range hood, microwave, or similar appliance) or wiring or venting to support same,
3. Dishwashing machine,
4. Sink intended for meal preparation (not including a wet bar),
5. Garbage Disposal,
6. Toilet,
7. Shower or bathtub.

**3.C-** C. Local Area. All areas in the Washington counties of Clark, Klickitat and Skamania and the Oregon counties of Hood River and Multnomah.

**3.D-** D. Owner. The natural person or legal entity that owns and holds legal and/or equitable title to the property.

**3.E-** E. Remuneration. Compensation, money, rent or other bargained for consideration given in return for use, rent, or occupancy of a vacation rental home.

**3.F-** F. Vacation Rental Home. A dwelling unit for which an owner receives or seeks remuneration for use or occupancy for a period of less than 30 consecutive days per rental period.

**3.G-** G. Vacation Rental License or License. The regulatory license required by SMC 5.20.15 and described in this chapter.”

**Section 4-** THAT, the following shall be added to Stevenson Municipal Code Chapter 5.20: “SMC 5.20.015 – Vacation Rental License Required. No owner of property within the Stevenson city limits may advertise, offer, operate, rent, receive remuneration for, or otherwise make available or allow any other person to make available for occupancy or use a vacation rental home without a vacation rental license. Advertise or offer includes through any media, whether written, electronic, web-based, digital, mobile or otherwise.”

**Section 5-** THAT, the following shall be added to Stevenson Municipal Code Chapter 5.20: “SMC 5.20.020 – Application and Fee.

**5.A-** A. Application required. An application for a vacation rental license shall be completed and submitted to the City on a form provided by the City. The application shall be signed by the owner or contact person and contain the following information:

1. Owner Information. Owner’s name, permanent residence address, telephone number, owner’s mailing address, and the vacation rental home address and telephone number.
2. Contact Person Information. If the owner does not permanently reside in the local area or is not always available when the property is being rented, the owner shall provide the name, telephone number and email of a contact person from the local area to represent the owner regarding the use of the property and/or complaints related to the vacation rental home as set forth in SMC 5.20.040(C).
3. Tax Information. A statement of intent to collect and remit all taxes associated with the vacation rental home.
4. Inspection Access. A statement allowing the City reasonable access to the property for the purpose of reviewing the proposal for the health and safety requirements set forth in SMC 5.20.040(D).
5. Right to Publish Contact Information. A statement allowing the City to make owner and contact person phone numbers publicly available.
6. Neighborhood Notice. A statement of intent to notify neighbors as required by SMC 5.20.040(A).

7. Good Neighbor Guidelines. A statement of intent to provide the City-provided Good Neighbor Guidelines to guests of the vacation rental home.
8. Parking Diagram. A statement of intent to provide guests of the vacation rental home with a diagram of parking spaces that are available to or intended for use by the vacation rental home.
9. Liability Insurance. A statement of intent to provide liability insurance coverage as required by SMC 5.20.040(G).
10. Such other information as the City Administrator deems reasonably necessary to administer this chapter.

**5.B-** B. Application Fee. Applications under this section shall be accompanied by a nonrefundable fee payable to the city in an amount established and periodically adjusted by the City Council. Application fees may be prorated if issued for less than half of the annual term. At the discretion of the City Administrator, the application fee may include the actual costs for labor, overhead, and expenses for outside consultant reviews and/or special inspections.”

**Section 6-** THAT, the following shall be added to Stevenson Municipal Code Chapter 5.20: “SMC 5.20.025 – Term of Annual License. A vacation rental license shall be issued for a period not to exceed one year, with its effective date running from the date the license is issued to December 31<sup>st</sup> and may be renewed annually by the owner or contact person provided all applicable standards of this chapter are met.”

**Section 7-** THAT, the following shall be added to Stevenson Municipal Code Chapter 5.20: “SMC 5.20.030 – Licensing and Renewal Procedures. A vacation rental license shall be obtained and/or renewed as required in this section. The ability to operate a vacation rental home in the City of Stevenson shall be discontinued for failure to obtain or renew a license to operate as provided in this chapter.

**7.A-** A. Application and Renewal Process. A person engaging in operation of a vacation rental home who has not yet obtained a license, or who is required to renew an existing operating license, shall do so as follows:

1. Time for Application.
  - a. New Licenses. For new vacation rental licenses, it is the responsibility of the owner or contact person to apply for and receive a license prior to operation of a vacation rental home.
  - b. Existing Vacation Rental Homes. A completed license renewal application and renewal fee is due for all existing short-term rentals on March 31<sup>st</sup>, 2016.
2. Notice. Prior to the December 31<sup>st</sup> annual due date, the City shall send notice of the need for a license or expiration of a license to the owner of any property for which an application is due as follows:
  - a. For the first license required for any vacation rental home in the City, it is the owner’s obligation and responsibility to apply for a license.
  - b. For license renewal, notice will be sent to the mailing and email addresses of the owner and contact person as provided to the City on the application.

**7.B-** B. License Expiration. For failure to submit an application, upon expiration of the 30-day late period, the ability to operate shall be conclusively presumed to be discontinued with no further action by the City. For renewals, upon expiration of the late period, the ability to operate shall be conclusively presumed to be discontinued and the City will commence revocation of the license pursuant to the procedures in SMC 5.20.045.”

**Section 8-** THAT, the following shall be added to Stevenson Municipal Code Chapter 5.20: “SMC 5.20.035 – Criteria for Approval and Renewal of a License.

**8.A-** A. New License. Upon receipt of a complete application for a new vacation rental license and payment of all required fees, the City Administrator or designee will issue a vacation rental license.

**8.B-** B. License Renewal. Upon receipt of a complete application for renewal of a vacation rental license and payment of all required fees. The City will review the application and available information to determine compliance with the operational requirements of SMC 5.20.040. If not met, the City Administrator or designee will not renew the license and the property shall not be used as a vacation rental home. Alternatively, the City Administrator may issue the license subject to reasonable special operational standards.

**8.C-** C. Owner’s Role. The owner has the burden of proof to demonstrate compliance with each operational requirement and special standard placed on the vacation rental license. Staff may verify evidence submitted and the applicant shall cooperate fully in any investigation.

**8.D-** D. Appeals. A decision on a license application or renewal may be appealed as provided in SMC 5.20.055.”

**Section 9-** THAT, the following shall be added to Stevenson Municipal Code Chapter 5.20: “SMC 5.20.040 – Operational Requirements.

**9.A-** A. Notice to Neighbors. The owner or contact person shall provide an annual mailing or otherwise distribute by hand, a flier to all property owners of record and/or occupants within a radius of 300 feet of the exterior boundaries of the property licensed as a vacation rental home. The notice shall include the license number and the telephone number of the owner and contact person. The purpose of this notice is so that neighboring property owners and residents can contact a responsible person to report and request resolution of problems associated with the operation of the vacation rental home. If the permanent contact information changes during the license period, the new information must be mailed or distributed again.

**9.B-** B. Electronic Availability. In addition, the City will make a database electronically accessible within which any person can obtain the owner and contact person’s name and telephone number. If the permanent contact information changes during the license period, the new information must be provided to the City.

**9.C-** C. Response to Complaints. The owner or contact person shall respond to neighborhood questions, concerns, or complaints in a reasonably timely manner depending on the circumstances.

1. Owner Responsibility. Reasonable initial inquiries or complaints related to the expectations set in the Good Neighbor Guidelines may first be made to the owner or contact person. However, it is not intended that the owner or contact person act as a peace officer or code enforcement officer of the City or put themselves in an at-risk situation. In such cases, the owner or contact person should contact the City to discuss resolution of the complaint.
2. Complaint Log. The owner or contact person should maintain a record of complaints and the actions taken in response to the complaint, if relevant, in a manner reasonable to document the interaction. If kept, this record can then be made available for City inspection upon request.
3. City Authority. If there is a failure to respond or a clearly inadequate response by the owner or contact person, a complaint may be submitted to the City on a form provided by the City, and the City will respond or investigate as needed. The City will first seek voluntary compliance or resolution, but if the City finds substantial evidence supports further action given the complaint(s), the City will follow the warning and revocation procedures set forth in SMC 5.20.045.

4. Records. On request and in compliance with the public records law, the City shall provide the owner and/or contact person with the information in the complaint.
5. Grounds for Warning. Repeated failure of the owner or representative to timely and reasonably respond to a complaint(s) relayed by City staff is considered grounds for a warning and potential revocation under SMC 5.20.045. Repeated noise complaints regarding tenants may be grounds for a warning to the owner, if, in the reasonable judgment of the City Administrator, the circumstances indicate the owner should be held responsible. Initiating a nuisance enforcement action under SMC 8.45 or SMC 8.60 may be grounds for a warning in the appropriate circumstances.
6. Administrative Rules. The City Administrator may establish administrative rules to interpret, clarify, carry out, and enforce the provisions of this chapter. A copy of such administrative rules shall be on file and made available at City Hall.

**9.D-** D. Health & Safety. Every vacation rental license shall be subject to inspection by the Building Official or designee at the City’s discretion, but no less than once every 5 years. The purpose of the inspection is to determine conformance with the Vacation Rental Fire Safety Checklist (fire extinguishers, smoke alarms, carbon monoxide detectors, etc.). It is the owner’s responsibility to assure that deficiencies identified in the checklist are addressed and that the vacation rental home is and remains in substantial compliance with all applicable fire, building, and safety codes and other relevant laws, whether identified on the vacation rental fire safety checklist or not.

**9.E-** E. Taxation. The owner shall fully comply with all applicable City and State tax reporting and payment requirements, especially lodging taxes due to the City under SMC 3.03 and retail sales and use taxes due under SMC 3.08.

**9.F-** F. Mandatory Postings. Important information related to the licensing and use of the vacation rental home shall be displayed in a prominent location within the interior of the dwelling, either adjacent to the front door or in a highly visible rental binder. The information shall include:

1. The vacation rental license;
2. Any special standards placed on the vacation rental license;
3. The property address.
4. The name of the owner and contact person and a telephone number where the owner and contact person may be contacted;
5. The parking diagram of the parking spaces available for use by the vacation rental home. The Parking Diagram may include on-street parking areas, but on-street parking is not for the exclusive use of any home or vacation rental home;
6. The City-provided Good Neighbor Guidelines. Additionally, the City encourages all owners to incorporate the Good Neighbor Guidelines into the rental contract.

**9.G-** G. Liability Insurance. The owner shall maintain liability insurance which expressly covers the dwelling unit’s use as a vacation rental home.”

**Section 10-** THAT, the following shall be added to Stevenson Municipal Code Chapter 5.20: “SMC 5.20.045 – Revocation Procedure.

**10.A-** A. In addition to the penalties described in SMC 5.20.050, the following provisions apply to violations of this chapter:

1. Failure to renew a license as set forth in SMC 5.20.030 is grounds for immediate revocation of the vacation rental license.
2. Failure to meet the operational requirements of SMC 5.20.040(E) is grounds for immediate revocation of the license.

3. The discovery of material misstatements or providing of false information in the application or renewal process is grounds for immediate revocation of the license.
4. Such other violations of this chapter of sufficient severity in the reasonable judgement of the City Administrator, so as to provide reasonable grounds for immediate revocation of the license.
5. Other violations of this chapter, including but not limited to City initiated investigation/sustaining of complaints, shall be processed as follows:
  - a. For the first and second violations within a 12-month period, the sanction shall be a warning notice.
  - b. If the same offense continues to occur or a third similar offense occurs at any time during a 12 month-period, the City may either issue a third warning, update the license to include reasonable special operational standards, or revoke the license.

**10.B-** B. Notice of Decision/Appeal/Stay. If the vacation rental license is updated or revoked as provided in this section, the City Administrator shall send written notice to the owner stating the basis for the decision. The notice shall include information about the right to appeal the decision and the procedure for filing an appeal. The owner may appeal the City Administrator’s decision under the procedures set forth in SMC 5.20.055. Upon receipt of an appeal, the City Administrator shall stay the update or revocation decision until the appeal has been finally determined by the City Council.”

**Section 11-** THAT, the following shall be added to Stevenson Municipal Code Chapter 5.20: “SMC 5.20.050 – Violations—Penalties.

**11.A-** A. In addition to the revocation procedures of SMC 5.20.045, any person or owner who uses, or allows the use of, property in violation of this chapter is subject to the enforcement authority of SMC 1.18 – Civil Violation and Abatement, SMC 8.45 – Nuisances, and/or SMC 8.60 – Public Nuisances. Each day a dwelling is used in violation of this chapter shall be considered a separate violation.

**11.B-** B. The following conduct also constitutes a violation of this chapter and is a Class I Civil Infraction:

1. Representing a dwelling as available for occupancy or rent as a vacation rental home where the owner does not hold a valid license issued under this chapter, or making a vacation rental home available for use, occupancy or rent without first obtaining a valid operating license;
2. Advertising or renting a short-term rental in a manner that does not comply with the standards of this chapter; and
3. Failure to comply with the operational requirements of SMC 5.20.040.”

**Section 12-** THAT, the following shall be added to Stevenson Municipal Code Chapter 5.20: “SMC 5.20.055 – Violations—Penalties.

**12.A-** A. Appellant – Standing. The owner or contact person may appeal a decision by the City to deny, revoke or attach special operational standards to a vacation rental license.

**12.B-** B. Authority to Decide Appeal. The City Council shall be responsible for determining an appeal of a decision brought under SMC 5.20.055(A).

**12.C-** C. Time for Filing. An appellant is required to file a written notice of appeal including the basis for the appeal within 14 calendar days of the license determination being appealed. This requirement is jurisdictional and late filings shall not be allowed.

**12.D-** D. Fee for Appeal. The City Council may establish by resolution a fee for filing an appeal, which shall be jurisdictional.

**12.E-** E. Hearing. After receiving written notice of appeal, the City Administrator shall schedule a hearing on the appeal before the City Council. At the hearing, the

appellant shall have the opportunity to present evidence and arguments as may be relevant. The Council may direct the City Attorney to draft findings of fact and interpretations of code or law to be considered at a later Council meeting.

**12.F-** F. Standard of Review and Decision. The Council shall determine whether the City’s decision was based on a preponderance of the evidence. A decision of the Council shall be based on the evidence received, in writing and signed by the mayor, and issued no later than 30 calendar days after the close of the hearing.

**12.G-** G. Finality. The Council’s decision shall be final on the date of mailing the decision to the appellant. The Council’s decision is the final decision of the City and is appealable only by writ of review to Superior Court.”

**Section 13-** THAT, the following shall be added to Stevenson Municipal Code Chapter 5.20: “SMC 5.20.060 – Discontinuance of Vacation Rental Occupancy.

**13.A-** A. After Revocation. After a vacation rental license has been revoked, the dwelling unit may not be used or occupied as a vacation rental home unless a new license is issued, and the owner of the property to which the license applied and whose license has been revoked shall not be eligible to reapply for a vacation rental license for vacation rental home on the same property for a period of 12 months from the date of revocation.

**13.B-** B. After Expiration. If a vacation rental license expires, the dwelling unit may not be used or occupied as a vacation rental home. The owner of the property to which the license applied and whose license has expired shall be required to apply for and obtain a vacation rental license before the property may be lawfully used or occupied as a vacation rental home.”

**Section 14-** THAT, the following shall be added to Stevenson Municipal Code Chapter 5.20: “SMC 5.20.065 – Remedies Not Exclusive. The remedies provided in this chapter are in addition to, and not in lieu of, all other legal remedies, criminal and civil, which may be pursued by the City to address any violation of this code.”

**Section 15-** THAT, if any section, subsection, paragraph, sentence, clause, or phrase of this ordinance is declared unconstitutional or invalid for any reason, such decision shall not affect the validity of the remaining portions of this ordinance.

This Ordinance shall take effect and be in force five (5) days after its publication according to law.

PASSED by the City Council of the City of Stevenson and approved by the Mayor this \_\_\_\_\_ day of \_\_\_\_\_, 2016.

\_\_\_\_\_  
Mayor of the City of Stevenson

ATTEST:

\_\_\_\_\_  
Nick Hogan, Clerk of the City of Stevenson

APPROVED AS TO FORM:

\_\_\_\_\_  
KEN WOODRICH, Attorney for the City of Stevenson