

Chelan County Planning Commission

Chair: Jesse Redell Vice Chair: Cherie Warren
Commissioners District 1: Vicki Malloy, Ryan Kelso, James Wiggs
Commissioners District 2: Cherié Warren, Mike Sines, Christopher Dye
Commissioners District 3: David Donovick, Jesse Redell, Doug England

Meeting Agenda

Wednesday, September 12, 2024 at 6:30 PM Chelan County Community Development 400 Douglas Street, Wenatchee, WA Or via Zoom- details listed below:

Join Zoom Meeting

https://us02web.zoom.us/j/87596099755?pwd=ct6bkqwbNjQaLavfiWdk8vhIKBf4GC.1

Meeting ID: 875 9609 9755

Passcode: 792574

Meeting to Order

I. Administrative

A. Review/Approval of Minutes from August 28, 2024 Planning Commission Meetings

II. Public Comment Period

A. Comment for any matters not identified on the agenda (limit 2 minutes per person)

III. Old Business

A. Workshop - ZTA 24-328 - Proposed amendments to the Short-Term Rental provision in the Chelan County Code, specifically Section 11.88.290.

IV. New Business

- V. Discussion, at the Chair's discretion
- VI. Adjournment *Meeting will go no longer than 8:30 PM.*

Materials available on the Community Development website

Any person may join this meeting via Zoom Video conference, of which the link is provided on the Chelan County Website. A Copy of the Agenda may be reviewed online https://www.co.chelan.wa.us/community-development/pages/planning-commission

Chelan County has been recording Planning Commission meetings which will continue to be accessible on the Community Development Planning Commission web page shortly after the meeting takes place.

Next Regular Meeting September 25, 2024 at 6:30 PM

* All Planning Commission meetings and hearings are open to the public.

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CHELAN COUNTY PLANNING COMMISSION MINUTES

Date: August 28, 2024

Chelan County Planning Commission

Chelan County Community Development

Called to Order: 6:30 PM 400 Douglas St., Suite 201 Wenatchee, WA 98801

CALL TO ORDER

Meeting was called to order at 6:30 PM

COMMISSIONER PRESENT/ABSENT

Vicki Malloy Doug Englund Ryan Kelso Cherie Warren Mike Sines	Present Present-zoom Present Present Present	James Wiggs Christopher Dye Jesse Redell David Donovick	Present Present Present - zoom	
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STAFF PRESENT

Jessica Thompson, Permit Clerk Kirsten Ryles, CD Assistant Director Deanna Walter CD Director

PUBLIC PRESENT: Sean Lynn, Kate Redell

PUBLIC PRESENT VIA ZOOM: Ted Hanika, Sean's AI notetaker, Michelle-vortex, Jerri Barkley, Art Alley, Dave Bartholomew, Matthew Oaks, Jim Wright(x2), Chiwawa Communities Association, Peggy, Patthirlby, Krivil Skinnarland, Chase K. Lak, Marypat.barton@gmail.com, Samsung sm-s911u, Roger&Rita, Reilly, Danbe, Hans, Brian Patterson, Chris Wille, William May, Mike Cushman, Dan B, Cindy, Jerry Isenhart, Leesa, Mimi Reid, David Odom, Tom Martin, Lorie Witmer, Brittany, Katie Hanson, Sgg, Maureen, Robert C, Sean Reid, Jeff Judy, L A, Joni, Betsy Steele, Heather Tromp, William Cagle, Richard Nicklas, Jake, Brad, I media, Dorothy Johnston, KateQuinn, Kristine Peterson, Brad S, Jonathan Strahl, Andy Day-rc3, 12066180697, Stephanie, Homeowner, Jessica Sellers, Jesse NWPMC, Mike Kirk, Carissa Reid and Bobby.

Minutes:

Chairman Jesse Redell starts the meeting and takes roll.

He proceeds, asking the commissioners if they had read the minutes from the July 24, 2024, meeting.

Hearing no corrections, changes or additions, the minutes were approved.

PUBLIC COMMENT PERIOD FOR ITEMS NOT ON THE AGENDA

Public Testimony

- Sean Lynn Attachment A of minutes
- Stellen Giffin

Old Business:

None

New Business

ZTA 24-328 - Proposed amendments to the Short-Term Rental provision in the Chelan County Code, specifically Section 11.88.290.

Community Development Director Deanna Walter presents the proposed changes from the August 28th 2024 agenda packet.

Continued discussion between commissioners and Mrs. Walter on the specific STR code change proposals for Title 11.

Public Testimony

- Marypat.barton@gmail.com
- Jesse Kensington

- Tom Martin
- Brian Patterson
- Lorie Witmer
- Nicole Wright
- Sean Reid
- David Odom
- Chiwawa Communities Association Matthew Oaks
- Sean Lynn
- Jesse NWPMC Patrick Dugan
- Chase K. Lak
- Roger & Rita Thomas

Public Testimony - closed

Commissioner Warren asked for more details about the issue that was brought up and led to the modifications to the STR code.

Public Hearing Closed

Workshop for ZTA 24-328 - Proposed amendments to the Short-Term Rental provision in the Chelan County Code, specifically Section 11.88.290.

Commissioners review and discuss thoughts on the proposed changes for Title 11.

Workshop continued to September 12th at 6:30 p.m.

Discussion at the Chair's Discretion:

None

ADJOURNMENT

Meeting Adjourned at 8:37 pm.

Next Planning Commission Meeting to be held on September 12, 2024, at 6:30 pm

All Planning Commission meetings and hearings are open to the public



Economic Impact of Short Term Rental Properties in Unincorporated Chelan County

September, 2020



Economic Impact of Short Term Rental Properties in Unincorporated Chelan County

Summary of Findings

This paper provides an overview of the economic impact of short term rentals (STRs) on Chelan County. It is focused on rentals located in the unincorporated parts of Chelan County, although the impacts are mostly seen on a countywide basis. Key findings include:

- Between September 1, 2019 and August 31, 2020, <u>1,714 properties in unincorporated Chelan County</u> that were listed by Airbnb, VRBO and/or HomeAway, had at least one night of paid visitor activity.
- Rental rates across the unincorporated areas <u>averaged \$362 per day</u>. The highest average rates
 were in the areas adjacent to the city of Chelan, at \$491 per night, and the lowest rates were
 adjacent to Cashmere, at \$133 per night.
- The average STR was rented out for 94 nights in the past year, and the owner earned an <u>average</u> of about \$34,000 in gross rental income.
- The patron of the average STR spent an additional \$560 per party per day, with \$235 spent on food and beverage services, \$101 spent on recreation and \$224 spent on retail.
- Patrons in the Chelan and Manson unincorporated areas were estimated to have spent over \$1,200 per night in addition to their STR rental fees.
- STRs in unincorporated areas generated a total of about \$108 million in direct economic activity, and another \$45 million in indirect activity.
- STRs generated about \$42 million in wages and supported over 1,400 jobs.
- Spending by patrons of STRs in unincorporated areas generated nearly \$820,000 in general sales
 taxes for Chelan County, which is about 10 percent of total general sales tax collections. That
 spending also generated about \$605,000 each for the two-county transit agency and for a group
 of smaller agencies that collect sales tax.
- Rental fees for STRs in unincorporated areas generated \$2.3 million in lodging taxes, which are
 used to enhance the visitor industry across the county.

Introduction

This paper provides an overview of the economic impact of short term rentals (STRs) on Chelan County. It is focused on rentals located in the unincorporated parts of Chelan County, although the impacts are mostly seen on a countywide basis. Following the data and methodological sections, the paper covers four areas.

STR activity. The scope of STR activity is described for both unincorporated and incorporated areas. This is based on data collected from listings by Airbnb, VRBO and HomeAway. The data covers at least 90 percent of STR properties.

Visitor spending. Estimates are provided for spending by visitors who have rented STRs in unincorporated Chelan County. Spending estimates are provided for (a) food and beverage services; (b) entertainment and recreation activities; (c) retail.

Economic impact analysis. The STR rental activity and visitor spending data are analyzed to derive estimates for total economic impact of STRs located in unincorporated areas. The impacts are countywide, and cover total economic output, labor income and job generation that result from the STR activity in unincorporated areas.

Tax impact analysis. Estimates are provided for the sales tax and lodging taxes generated by STR activity in unincorporated areas that are collected by Chelan County and several agencies that have countywide taxing authority.

Economic impact analyses are based on a number of assumptions, each of which can have a substantial effect on the final estimates. Every effort has been made to use conservative assumptions, so it is likely that the estimates provided here form a lower bound for the actual impacts.

Geographic Scope

This report estimates the economic impact of short term vacation rentals that are located in unincorporated areas of Chelan County. Geographic scope is as follows:

Property counts and activity measures

The 2,639 properties included in the report all had revenue from at least one visitor-night from September 1, 2019 through August 31, 2020. Figure 1 lists basic data for these properties by eight market areas. Cities lie within five of these market areas, and properties are broken out by city and unincorporated areas.

Visitor spending

Visitor spending on lodging and other expenses is estimated only for properties located in unincorporated areas.

Economic impact

The total economic impact of the spending by visitors renting properties in unincorporated areas is estimated for the entire county.

Tax impact

The total tax revenue impact of the spending by visitors renting properties in unincorporated areas is estimated for the Chelan County government and for other countywide agencies that have sales tax authority.

Data Sources and Notes

Short term rental property activity

The data for the number and activity for STR properties comes from AirDNA, a data service that mines information from the websites of Airbnb and VRBO (which includes HomeAway). AirDNA estimates that about 90 percent of STR properties are listed on one or both of these services. AirDNA provides listings of all active properties in a market area, and includes detailed data on rental activity, rental rates, fees and occupancies.

AirDNA listings for Chelan County are divided into eight market areas: Cashmere, Chelan, Entiat, Leavenworth, Malaga, Manson, Peshastin, Wenatchee, The AirDNA listings do not specify whether the unit is located within a city. Each listing includes latitude and longitude coordinates which were used to identify which units are in cities and which are in unincorporated areas.

When reading this report, remember that it does not cover all STRs in Chelan County, but only those listed on Airbnb, VRBO/HomeAway. Thus, it understates activity to some extent.

Visitor spending

No recent visitor spending surveys were identified for all of Chelan County, so it was necessary to develop estimates of spending from other data. Estimates of visitor spending were derived from tourism spending data provided by the U.S. Bureau of Economic Analysis Travel and Tourism Satellite Account. From this data, for three categories—food and beverage service, entertainment and recreation, retail we calculate the ratio of spending on each category to spending on lodging. These ratios were then applied to the average rental rates for STRs in the unincorporated areas of each market area.

It is assumed, therefore, that visitors will spend about the same proportion of their travel budget on each category, no matter the size of that budget. These ratios are based on national data, so some caution is advised.

Tax revenue impacts

Tax revenue impacts were calculated from sales and lodging tax rates provided by the Washington State Department of Revenue. Tax revenue estimates are based on the following assumptions:

- Chelan County collects sales tax (1.8 percent combined rate) and lodging tax (4 percent) on units located in unincorporated areas, and that tax revenue is listed.
- About 12 percent of taxable retail sales (NAICS 44 and 45) in Chelan County occur in unincorporated areas and are subject to the county's full combined local tax rate of 1.8 percent.
- About 88 percent of taxable retail sales in Chelan County occur in cities, and Chelan County government receives 0.15 percent sales tax on those purchases.
- Several agencies with countywide sales tax authority receive sales tax from all properties.

Economic Impact Methodology

The core of economic impact analysis is the determination of the effect of the injection of new money from outside the geographic area under consideration. Any geographic area—a county in this case—has two kinds of economic activity. "Primary" activity, also known as the economic base, brings new money into the area from outside. That money is then circulated by businesses and consumes within the area in the "secondary" economy.

Economic impact analysis estimates the effects of new activity in the primary economy on the secondary economy. These estimates can be made in a number of ways. This report uses multipliers that are applied to primary activity to generate estimates of total activity (primary plus secondary). The multipliers used in this report were developed by the U.S. Bureau of Economic Analysis for its Regional Input-Output Modeling System (RIMS II) and are specific to Chelan County.

Spending by visitors from outside the county is considered a primary economic activity. Each type of spending—lodging, food and beverage service, entertainment and recreation, retail—has its own multiplier, which is then applied to spending in that category. Estimates are provided for the following economic impacts, as shown below in Figure 3.

- Total output. This is the total dollar value of all economic activity, including the new primary
 activity and the resulting secondary activity.
- Total labor income. This is the total dollar value of wages paid to workers in primary and secondary activities in the county as a result of the total output.
- Total jobs. This is the total number of new jobs created in the county by both the primary and secondary activities.

Note that the economic impacts on the secondary economy apply to the entire county, whether in incorporated or unincorporated areas, whereas the primary activity being measured consists only of STRs in unincorporated Chelan County.

In calculating the economic impact of STRs, we assume that most of the units are owned by people who do not live in Chelan County. Without a thorough review of ownership we cannot have an accurate count of how many units are owned by local investors, but given the number of units that show large numbers of blocked out dates (when the owners, presumably, are using the unit for their own vacations) we know that the great majority of units are not locally owned. To account for the economic impact of unit ownership, we make three assumptions.

- 10 percent of units are assumed to be owned by Chelan County residents, and all rental revenue from those units stays in the county.
- Locally owned units realize a net of 30 percent of gross rental income after paying management and ownership expenses (interest, taxes, insurance, maintenance).
- For the units not owned by Chelan County residents, we estimate that 14 percent of gross revenue is retained in Chelan County in the form of management fees. All cleaning fees are assumed to be retained in Chelan County.

Short term rental activity 2019-2020

Short term rental activity in Chelan County has grown significantly in recent years. Figure 1 shows activity booked through Airbnb, VRBO and HomeAway for the 12 months from September 1, 2019 through August 31, 2020.

Market	Activity* Sept 1	, 2019 through	1 August 31, 2020	0
Market Area	Units with revenue	Nights occupied	Average daily rate**	Total annual revenue
Cashmere				
City	5	542	\$209	\$113,048
Unincorporated	37	4,396	\$133	\$586,626
Chelan				
City	517	42,260	\$295	\$12,462,893
Unincorporated	146	8,516	\$491	\$4,180,247
Entiat				
City	1	100	\$84	\$8,350
Unincorporated	8	460	\$183	\$84,178
Leavenworth				
City	305	27,268	\$281	\$7,651,520
Unincorporated	1,026	111,612	\$345	\$38,484,226
Malaga	6	569	\$177	\$100,535
Manson	367	24,542	\$488	\$11,970,090
Peshastin	63	6,584	\$296	\$1,951,380
Wenatchee				
City	97	8,111	\$120	\$975,095
Unincorporated	61	5,226	\$214	\$1,120,843
Incorporated total	925	78,281	\$271	\$21,210,906
Unincorporated total	1,714	161,905	\$361	\$58,478,125
Countywide total	2,639	240,186	\$332	\$79,689,031
*Units listed through A **Includes cleaning fee		30-HomeAwa	y	
mode of coming icc				Source: AirDNA

65 percent of the listed units that had revenue during the past year were located in unincorporated Chelan County. 67 percent of unit-nights and 73 percent of total revenue were realized in unincorporated areas. The city of Chelan has about 20 percent of the units in the county, with about 80 percent of the Chelan City inventory consisting of apartments, condominium and resort properties.

The most expensive properties are found in the unincorporated areas around Chelan and in Manson. Average daily rents approach \$500 in these areas, with the most expensive property in the county—a 7,200 square foot house on Moonlight Bay—listed for \$2,794 per night, with a cleaning fee of \$995.

The total rental fees (including cleaning fees) collected from the properties in unincorporated Chelan County for the most recent 12 month period add up to \$58.5 million. This is up from \$52 million in calendar year 2019. The Washington State Department of Revenue reported about \$127 million in taxable sales of accommodations (NAICS 721) in all of Chelan County for calendar year 2019. Thus, STR sales in unincorporated Chelan County accounted for about 41 percent of all accommodations sales in the county in 2019. Total countywide sales of STRs in both cities and unincorporated areas accounted for 56 percent of all accommodations sales in the county in 2019.

Estimated Visitor Spending

The economic impact of STRs derives from the combination of rental income and visitor spending. Absent a recent comprehensive visitor spending survey that covers the diverse markets of the county, it is necessary to estimate visitor spending, as noted above. Figure 2 shows estimates of visitor spending by STR patrons in the past 12 months by market area. The estimates cover only spending by parties renting units in unincorporated areas, but most of the spending will take place in cities.

Figure 2 Estimated Visitor Spending by STR Patrons Unincorporated Chelan Co.

Based on Market Activity Sept 1, 2019 through August 31, 2020

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Admiliant Associ	Average	Food &	Entertain		Total daily	Total all
Market Area	daily	beverage	&		visitor	spending
	rental rate	service	recreation	Retail	spending	per day
Cashmere	\$133	\$87	\$37	\$83	\$207	\$340
Chelan	\$491	\$319	\$137	\$304	\$761	\$1,252
Entiat	\$183	\$119	\$51	\$113	\$284	\$467
Leavenworth	\$345	\$224	\$97	\$214	\$534	\$879
Malaga	\$177	\$115	\$49	\$110	\$274	\$451
Manson	\$488	\$317	\$137	\$302	\$756	\$1,244
Peshastin	\$296	\$193	\$83	\$184	\$459	\$756
Wenatchee	\$214	\$139	\$60	\$133	\$332	\$547
Total all markets	\$361	\$235	\$101	\$224	\$560	\$921

Sources: AirDNA, U.S. Bureau of Economic Analysis, author's calculations

Economic Impact of STR Rental and Visitor Spending

Figure 3 shows the estimated economic impacts of all spending by patrons of STRs. See methodological notes above.

Figure 3 Economic Impact of 1	Short Term Rentals II	n Unincorporated Chelan Co.,
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Based on Market Activity Sept 1, 2019 through August 31, 2020

	Annual direct output	Annual total output	Total labor income	Total jobs
Net lodging	\$1,523,976	\$2,076,874	\$480,967	12
Cleaning fees	\$7,678,935	\$11,555,261	\$4,784,744	152
Management fees	\$8,110,159	\$11,052,524	\$2,559,566	65
Food & beverage serv	\$37,991,011	\$54,076,406	\$15,002,650	519
Entertain & recreation	\$16,365,359	\$24,065,260	\$6,367,761	253
Retail	\$36,237,580	\$50,051,346	\$12,951,311	404
Total	\$107,907,020	\$152,877,671	\$42,147,000	1,404

Sources: AirDNA, U.S. Bureau of Economic Analysis, author's calculations

Most of the impact comes from visitor spending, since the great majority of units consist of entire homes that are owned by people living outside of Chelan County. Figure 3 breaks out an estimate of the cleaning fees and management fees, assuming that nearly all of that revenue would stay in Chelan County in the form of wages and fees paid to contractors.

By these estimates, the STRs in unincorporated Chelan County generate around \$153 million in annual economic activity in the county. The U.S. Bureau of Economic Analysis estimates the gross domestic product (GDP) of Chelan County at about \$4.7 billion. The economic activity of STRs in unincorporated Chelan County accounts for about 3 percent of the county's GDP.

To put this in perspective, the direct output of about \$100 million is larger than the county's information sector, transportation sector or durable goods manufacturing sector. It is about equal to the nondurable goods manufacturing sector, which includes the food processing industry.

Figure 3 estimates that spending by patrons of STRs is responsible for over 1,400 jobs. The state Employment Security Department reports about 44,000 covered jobs in the county in 2019, so the STR sector accounts for about 3 percent of the county's employment.

Tax Revenue Impact of Visitor Spending

The economic activity associated with STRs throws off a variety of tax revenue streams. Figure 4 shows sales and lodging tax revenue received by Chelan County for lodging and visitor spending, based on rental activity from September 1, 2019 through August 31, 2020. It also shows the estimated sales tax paid by workers living in the county whose earning derive from the STR business.

Fig 4 Tax Impacts of Short Term Rentals In Unincorporated Chelan Co.

Based on Market Activity Sept 1, 2019 through August 31, 2020

	Total taxable	County sales	Public Transit sales tax	Other Countywide sales taxes	County lodging tax
Unit rental fees	\$58,478,125	\$584,781	\$233,913	\$233,913	\$2,339,125
Visitor spending	\$81,534,555	\$205,467	\$326,138	\$326,138	
Worker spending	\$15,594,390	\$39,298	\$62,378	\$62,378	
Total		\$829,546	\$622,428	\$622,428	\$2,339,125

Sources: AirDNA, Washington State Department of Revenue, author's calculations

The county's 4 percent lodging tax applies to all rentals in the unincorporated areas and goes entirely to the county for its lodging tax fund. Sales tax charged on rentals goes entirely to the county general fund (1 percent) to Link Transit (0.4 percent) and several other countywide special funds (combined 0.4 percent)

Sales taxes on other visitor spending are more complicated. First, not all spending is taxable. Most notably, food purchases at grocery stores are not taxable. The estimates assume that 10 percent of all visitor spending is non-taxable.

Second, although we are considering spending by visitors staying in unincorporated areas, most retail, food service and entertainment spending will occur within city limits and the sales taxes will be remitted to the city. According to the Department of Revenue, about 12 percent of taxable retail sales in Chelan County take place in unincorporated areas, so we attribute 12 percent of regular sales tax revenue (at the 1 percent rate) from visitor spending to Chelan County itself. For the other 88 percent of spending that occurs in cities, counties collect 0.15 percent regular sales tax on those sales.

Sales taxes on visitor spending that are collected by the transit agency and other countywide agencies go entirely to those agencies, each at a rate of 0.4 percent.

In all, spending by visitors to STRs generates about \$829,000 for the county, which is about 10 percent of its sales tax revenue for the year. This spending also generates about \$622,000 for the transit agency and the other agencies combined. Lodging tax should bring about \$2.3 million into the county lodging tax fund.

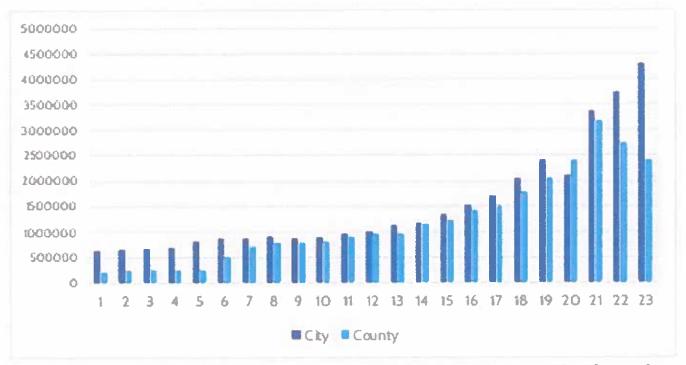
Conclusion

The short term vacation rental market has emerged as an important source of economic activity in places such as Chelan County that have attractive visitor features and limited hotel properties. They stimulate the market for vacation properties by making such properties more affordable through rental income. While most STR properties are owned by people outside the county, and therefore much of the rental income itself leaves the county, visitor spending is robust and provides hundreds of jobs in the county.

STRs also stimulate the balance of the visitor industry. Spending on STR rentals constitutes over half of countywide accommodation sales, so the spending by patrons of STRs may as much as double the size of the non-accommodation tourism sector. When vacation properties are occupied for more of the year, local retailers, restaurants and other services have a more stable customer base.

This report was prepared by Michael Luis. 206-295-7123. luisassociates@comcast.net

Lodging Tax Collections '01 to '23



Due to short term rental legislation passed in early 2021, the amount of rentals in the county has decreased as evidenced by the declining tax revenue.



Setting the record straight on short-term rentals, housing affordability, and misguided government market interventions

Tobias Peter – Co-Director, AEI Housing Center (<u>Tobias.Peter@AEI.org</u>) November 2023¹

Governments around the country have found a new scapegoat for widespread housing affordability: short-term rental (STR) companies such as AirBnB and others. Many cities such as Dallas, Philadelphia, New Orleans, Los Angeles, Boston, and more recently New York City (NYC) have placed restrictions on STRs. While this approach may play well with local unions, people concerned about high housing costs, and the progressive media, it is, at best, a distraction from these governments' own policy failures. The true culprit for high housing costs is a variety of government distortions that have made hotel room capacity scarce, zoning and land use regulations that have made housing both scarce and expensive, and demand boosters like low interest rates that have gotten capitalized into higher prices. Faced with increasing carrying costs and tighter homeowner budgets, STRs can provide a modicum of supplemental income to tapped out homeowners, while also filling the vacuum caused by the lack of hotel rooms and jacked up room rates. STRs thus represent an entirely rational market response to a series of government regulatory failures.

The following examples provide data on the duration of an average STR rental, the nature of STRs, and how misguided government interventions created housing unaffordability long before STRs even came into existence.

Example 1: NYC has made hotel room capacity scarce to curry favor with unions

NYC's actions on STRs need to be considered in the larger context of the city's actions on hotels. The <u>Atlantic</u> reported earlier this month:

In 2010, New York City banned youth hostels, closing 55 establishments across town. In 2018, the city made it harder to build hotels in areas zoned for manufacturing use. Then, in December 2021, the city council made it harder to build hotels across the city. Prior to these changes, developers could put up hotels as long as they followed existing zoning and building regulations. Now hotels must also acquire a special permit. The city's own projections warned that the regulatory changes would leave the city with insufficient hotel capacity. They were right to worry: In the 12 months following this change, not a single special-permit application was filed.

It is thus particularly ironic that NYC's government actions, in large measure, have created the demand for STRs. According to the New York Times, as cited in the Atlantic article, the "city was doing the bidding of the hotel workers' union, the Hotel Trades Council, which had 'long pushed to limit the construction of new hotels, which are often nonunion. Its calculation [was] that limiting the

¹ The views expressed are those of the author alone and do not necessarily represent those of the American Enterprise Institute.

development of such hotels ... would tend to increase hotel room prices generally and bolster the higher-end hotels where many of its workers are employed." It should come as no surprise that "The Hotel Trades Council was also involved in the short-term-rental crackdown."

While STRs may be filling the market vacuum created by NYC officials, the city misdiagnosed the cause and effect. Its response was to impose a law in September 2023 that requires STR hosts to register with the city and meet several requirements. For example, the owner must be present during the guest's stay and cannot rent out the entire unit. Preliminary data indicate that STR listings have dropped by 80% in the city, invariably lining the pockets of hotels, which will be able to increase their occupancy and rates.

On the other hand, those most affected from the city's STR ban will be cash-strapped travelers, especially younger and lower-income ones, as well as tapped out owners that are no longer able to earn additional income from temporarily renting out their homes. In that sense, STRs should be considered as not too different from ride sharing apps such as Uber or Lyft. These apps filled a market need when over-regulation made regular taxi service too expensive and provided poor service. All one needs to do is look at NYC taxi medallion prices that cost as much as \$200,000 during the 1990s and fetched as much as \$1 million in around 2014, before falling down to earth with the introduction of ride-share apps.

Today, many ride-share app drivers use their car as a way of generating additional income. The same largely applies to STRs. According to reporting from the WSJ, NYC had about 38,500 STR residential listings. The annual net revenue for these listings was \$85 million. Based on these stats, the average net revenue per STR listing in NYC pencils out to about \$2,200/year. Furthermore, NYC has about 3.5 million housing units, implying that about 1.1% of NYC's housing units are listed as STRs. Given that the median rental unit rents for about \$3,400/month, STRs must be listed for about 19 days or about 5% of the year. Clearly many small-scale hosts are sharing their homes on occasions, much like ride-sharing drivers. In total, STRs affect about 0.05% of the available time of NYC's total housing stock — a truly trivial number that does not merit NYC's sledgehammer approach.

The chutzpah of the NYC government is truly remarkable: First, the city government limits hotel rooms to help its union friends. Then, when STRs spring up in response to a lack of hotel rooms, the city vilifies private individuals for filling a market need using their own private property. Cities such as NYC should just take a look in the mirror.

This example also reveals the modus operandi of governments: a seemingly never ending morass of whack a mole distortions that beget even bigger distortions until the market is no longer able to function on its own. At that point, government steps in as a white knight to correct a market failure, when in reality it was government regulatory failures that created said market failure.

Example 2: A data deep dive into Hawaii's hotels and STRs

Hawaii has been at the forefront of the debate on housing affordability. Over the years, progressives have blamed various entities such as <u>foreign buyers</u>, <u>vacant homes</u>, <u>institutional investors</u>, and now STRs. While many of these narratives have been debunked, STRs are the latest <u>scapegoat</u>. But just like in NYC, the data actually show that the market is responding rationally to government distortions that have created a scarcity of hotels.

Similar to NYC, there are too few hotel rooms in Hawaii, making STRs more profitable than a normal long-term rental. Before the pandemic, a 2019 report on hotel performance from the <u>Hawaii Tourism</u>

<u>Authority</u> showed that Hawaii along with NYC had the highest revenue per available room and highest average daily rates for hotels in the US.²

Data from <u>Insideairbnb</u>— which comes directly from Airbnb listings— suggests that about two-thirds of STRs in Hawaii are infrequently booked.³ Based on simple calculations using these data, the infrequently booked STRs earn about \$4,700 per year on average. At a rate of about \$250-500 per night, that implies that these listings are only used about 10-20 days of the year.

Hawaii Short-term Rental Listings

	Number of	-				Avg. nights
	Listings	Avg	. income	Avg.	price/night	booked
All	33,339	\$	15,329	\$	411	63
Frequently booked	10,854	\$	37,253	\$	240	163
Infrequently booked	22,485	\$	4,746		na	na

Source: Insideairbnb (as of 11/18/2023) and AEI Housing Center.

This suggests that someone else is living in these homes for the rest of the year—presumably the owner. Banning all STRs would therefore be unlikely to meaningfully increase the housing supply, while it would hurt lower-income Hawaii residents that are using STRs as a way to supplement their income by renting out their home for one or two weeks, while they go on vacation or stay with family or friends.⁴ It would also further increase hotel costs on the islands.

Example 3: The root causes of high housing costs are misguided government interventions

What should give everyone pause is that in places reeling from housing unaffordability such as NYC, Hawaii or California, housing was unaffordable long before STRs came into existence 10-15 years ago.

Particularly in Hawaii and California, home prices - measured by the median price-to-median income ratio - have been far above the national average since at least the 1980s.

STRs are at best a relatively small contributing factor to housing unaffordability. While it is entirely plausible that STRs reduce housing supply and increase rents by removing a unit that otherwise may have been used as a long-term rental, most studies have found a rather small effect of STRs on housing

² The report also highlights that four of Hawaii's islands ranked in the top seven of highest revenue per available room for "sun and sea destinations" in an international comparison. Hawaii had the third highest hotel occupancy rates in the US after NYC and San Francisco.

³ On average, listings are only booked for about 61 nights. About one-third of listings are never booked and another one-fifth are booked for less than a month. The roughly 33,000 listings account for about 6% of Hawaii's housing stock of around 568,000 units.

This range of room nights per year makes sense, as a homeowner may rent a home out for up to 14 night per year and not report the earnings to the IRS. https://www.irs.gov/taxtopics/tc415.

⁵ AirBnB was founded in 2007 and only started to gain traction back in 2010.

costs of around 3-5%.⁶ The <u>University of Hawaii Economic Research Organization</u> (UHERO) admits that even in the absence of all STRs, Hawaii would still "suffer from extremely high home prices."⁷

This focus on STRs does not address the root causes of housing affordability, which are on the supply side. In 1922, the federal government began promoting the widespread adoption of zoning by municipalities, which particularly encouraged single-family detached (SFD) zoning as a backdoor to achieving constitutionally prohibited racial segregation. This legacy of zoning and land use continues today: Residential districts are economically segregated as the original planners intended, with the vast majority of zoning codes reserving large areas of land exclusively for single-family detached homes.

Over the following decades, a booming economy, coupled with restrictive land use regulations and "Not in my backyard" (NIMBY) residents abusing environmental reviews, prevented many markets from responding to any additional demand. By freezing land use, government action—not builders or markets—has prevented the building of enough housing to sustain our growing population. In Hawaii for example, according to the Grassroot Institute only about 5% of buildable land is used for housing and large swaths of it are zoned for SFD only.

As a result, supply in high-demand places has failed to keep up. When home prices rise faster than incomes, housing unaffordability ensues. Across the country, once-affordable neighborhoods gradually priced out existing residents and potential newcomers; high land prices make even older, smaller homes unaffordable to moderate-income buyers and renters. Nowhere is this trend more visible than in California, which had home price-to-income ratios not too different from the national average in the 1970s. In 2020, the price-to-income ratio in California was nearly double the level of the entire country (8.4:1 relative to 4.4:1 for the United States).

The root cause of hosing unaffordability is not STRs, but rather government restrictions. Zoning laws, land use regulations, and environmental laws that have been weaponized by "Not in my backyard" (NIMBY) residents, limit the amount of buildable land or limited the buildable density to single-family detached housing only, thus ensuring scarcity of housing. By many estimates, the country is currently short between 4-20 million housing units.¹⁰

However, policymakers at the federal level have focused their energies on creating yet more housing demand, which has predictably resulted in higher prices and lower affordability. The list of such

⁶ See for example, the following links for findings for <u>the entire US</u>, for <u>Boston</u>, for <u>Los Angeles</u>, for <u>Barcelona</u>, Spain, or for <u>Greater London</u>, <u>UK</u>.

⁷ The UHERO study applies the results from studies from London, Barcelona, and Los Angeles directly to Hawaii (even though these results may not directly apply). It estimates that housing cost may be 5% lower in the absence of all STRs.

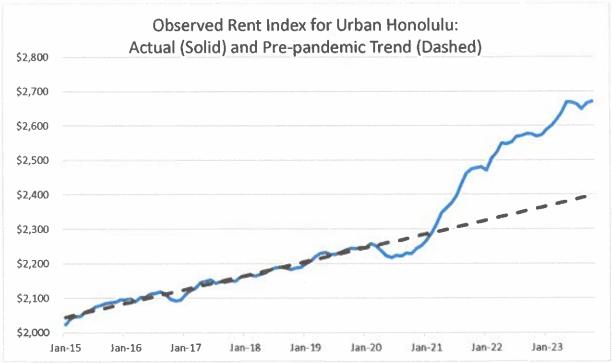
⁸ For more on this, please see <u>How Government Policy Made Housing Expensive and Scarce, and How Unleashing Market Forces Can Address It.</u>

⁹ See for example, https://www.aei.org/research-products/report/addressing-californias-homeownership-problem/.

¹⁰ See for example, Kingsella, Mike, Kolachalam, Anjali, and Leah MacArthur. "Housing Underproduction in the U.S. 2023." 2023., Khater, Sam. "One of the Most Important Challenges our Industry will Face: The Significant Shortage of Starter Homes." Freddie Mac: Perspectives, 23 Apr. 2021., or Corinth, Kevin, and Hugo Dante. "The Understated 'Housing Shortage' in the United States." IZA Working Paper, 2022.

programs is long¹¹, but more recently, the Fed's Quantitative Easing (QE) and Zero Interest Rate Policy (ZIRP) had a particularly pernicious effect on housing affordability across the country. These Fed policies had the explicit goal of stimulating asset prices by pushing interest rates lower. Unfortunately, the Fed continued these policies for far too long, even when the effects on home price appreciation and inflation were entirely foreseeable. As a direct consequence, housing costs have skyrocketed all over the country.

We use data from Hawaii to illustrate this point: While STR listings in Hawaii have been <u>stable</u> from 2019 to 2023, rents have gone through the roof. Today, rents are about 11% above their pre-pandemic trend line as seen in the chart. The Fed's excessive monetary stimulus lasted far too long and has had a far more outsized impact on housing affordability than STRs ever had.



Source: Zillow and AEI Housing Center.

¹¹ Foreclosure-prone affordable housing policies began in 1954, when Congress authorized FHA to use the 30-year loan and permit smaller down payments, policies primarily targeted at lower-income and minority borrowers. By the early-1960s FHA's foreclosure rates was burgeoning. Thirty years later the federal government undertook more efforts to expand the homeownership rate. This credit easing started in the early 1990s and continued until 2007, fueling a housing boom that temporarily boosted the homeownership rate, but eventually led to 12 million defaults. More recently, in an effort to combat rising entry-level prices and rents, the federal government has implemented various other demand boosters such as FHA's lower mortgage insurance premium, expanded cross-subsidies from loan level pricing adjustments, and debt ratios up to 50% and 57% for Fannie, Freddie, and FHA respectively.

Home prices and rents are high due to demand outstripping supply. Just like ride-sharing apps, STRs are popular because they represent a cost-effective alternative to hotels and allow the owner of a home or car to earn some revenue from an under-utilized asset.

Rather than curtail or even ban STRs, cities and states should target more home construction by removing red tape for of all sorts of housing construction. They should follow the examples of Arlington, Virginia; Minneapolis, Minnesota; Charlotte, North Carolina; California; Washington; Montana, and Oregon, which have recently passed light-touch density legislation deregulating their land use and opening up possibilities for more private sector housing construction.¹²

The solution to today's high housing costs and the growing popularity of STRs is to build more housing and hotels, rather than making political hay by banning STRs altogether.

¹² These areas have permitted moderately higher density through lot splits or permitting multiplexes or townhomes in areas typically reserved for single-family detached homes. For more information on these recent zoning reforms see links below. For Arlington, Virginia, see "Arlington ends single-family-only zoning" by Teo Armus in the Washington Post. https://www.washingtonpost.com/dc-md-va/2023/03/22/arlington-missing-middle-vote-zoning/. For Minneapolis, Minnesota, see "Eliminating Single-Family Zoning Isn't the Reason Minneapolis Is a YIMBY Success Story" by Christian Britschgi in Reason.

https://reason.com/2022/05/11/eliminating-single-family-zoning-isnt-the-reason-minneapolis-is-a-yimby-success-story/. For Charlotte, North Carolina. see the text for Charlotte's *Unified Development Ordinance (UDO)* at https://charlotteudo.org/. For California, see "California Enacts Two Important New Zoning Reform Laws" by Ilya Somin in *Reason*. https://reason.com/volokh/2021/09/17/california-enacts-two-important-new-zoning-reform-iaws/. For Oregon, see "Eight ingredients for a state-level zoning reform" by Michael Andersen for *Sightline Institute*. https://www.sightline.org/2021/08/13/eight-ingredients-for-a-state-level-zoning-reform/. For Montana, see "Montana Passes Sweeping Legislative Package to Rescind 'California-Style-Zoning'" by James Brasuell in *Planetizen*. https://www.planetizen.com/news/2023/04/122638-montana-passes-sweeping-legislative-package-rescind-california-style-zoning.



CHELAN COUNTY DEPARTMENT OF COMMUNITY DEVELOPMENT

2024 Text Amendments to 11.88.290 Staff Report

TO: Chelan County Planning Commission

FROM: Chelan County Community Development

HEARING DATE: August 28, 2024

FILE NUMBERS: PL 24-325 (Zoning Text Amendment)

2024 Docket

REQUESTED ACTION

The Planning Commission is being asked to review, consider, and make a recommendation to the Board of Chelan County Commissioners to approve, approve in part, or deny adoption of the proposed Zoning Code amendments relating to Short-term rentals, 11.88.290. Suggested Findings of Fact and Conclusions of Law, which may be modified, are included in this staff report.

GENERAL INFORMATION

Applicant	Chelan County
Planning Commission Hearing	August 28, 2024
Planning Commission Notice of Hearing Published	August 17, 2024
60-day State Agency Review	Initiated: August 14, 2024
SEPA Determination	August 14, 2024
Previous Workflow	
Board of County Commissioners Workshop:	March 31, 2020
Planning Commission Workshops:	April 22, May 13, May 27, June 3, 2020
Planning Commission Hearing Published on:	June 6, 2020
Planning Commission Hearing on:	June 27, 2020
Planning Commission Deliberations:	July 24, July 9, 2020
Board of County Commissioners Study Sessions:	July 21, August 4, 2020
Board of County Commissioners REMAND to Planning Commission:	August 24, 2020

Planning Commission Hearing Published on:	August 27, 2020
Planning Commission Hearing on:	September 9, 2020
Planning Commission Deliberations:	September 23, and October 15, 2020 (Special notice October 3, 2020)
60-day State agency review:	May 14, 2020 and updated November 24, 2020 and July 27, 2021
Board of County Commissioners Study Sessions:	October 28, November 3, November 10, November, 16, November 24, December 1, December 8, 2020
Board of County Commissioners Hearing Published on:	December 8, 2020
Board of County Commissioners Hearings on:	December 22, 2020
Board of County Commissioners Deliberations:	December 29, 2020, Hearing continued for at least 90 days while a Task Force was created.
Taskforce created, recommendation to Board of County Commissioners presented:	May 11, 2021
Board of County Commissioners Study Sessions:	June 1, June 7, June 14, June 15, June 22, 2021
Board of County Commissioners Hearing Published on:	June 15, 2021
Board of County Commissioners Hearing on:	June 29, 2021
Board of County Commissioners Deliberations:	July 13, July 27, 2021
Short term rental code adopted	July 27, 2021
Board of County Commissioners Amendment Workshop:	December 11, 2023

PROJECT DESCRIPTION

The Board of County Commissioners has requested review of the existing Short-Term Rental code section (11.88.290) of the Chelan County Code, and has identified several areas for potential development regulation text amendments for short-term rentals, to make modifications and provide regulatory support and clarification.

The proposals were analyzed based on information provided and within existing County resources. Applications for zoning code text amendments must be weighed by their individual and collective impacts. Additionally, agency and public comment play a role in understanding potential impacts to surrounding land uses, impacts to rural character, and how the amendment may serve the general public's interest. Proposed changes provided in Attachment 1.

SEPA ENVIRONMENTAL REVIEWA Determination of Non-Significance was issued under WAC 197-11-340 for PL 24-325 on August 14, 2024 (Attachment 2). The lead agency for this proposal has determined that

it does not have a probable significant adverse impact on the environment. An Environmental Impact Statement (EIS) is not required under RCW 43.21C.030(2)(c). The decision was made after a review of a completed environmental checklist and other information on file with the lead agency.

60-Day Notice:

Sent to Department of Commerce August 14, 2024. Letter of acknowledgement (Attachment 3).

Agency Comments:

None received to date.

Public Comment:

None received to date.

REVIEW CRITERIA

The approval, modification or denial of a development regulation amendment application shall be evaluated on, but not limited to, the following criteria pursuant to Chelan County Code Title 14, Development Permit Procedures and Administration:

CCC 14.13.040, The approval, modification or denial of a development regulation amendment application shall be evaluated on, but not limited to, the following criteria:

- (1) The amendment is necessary to resolve a public land use issue or problem.
- (2) The amendment is consistent with goals of the Growth Management Act, Chapter 36.70A RCW.
- (3) The amendment complies with or supports comprehensive plan goals and policies and/or county-wide planning policies.
- (4) The proposed amendment does not adversely affect lands designated as resource lands of long-term commercial significance or critical areas in ways that cannot be mitigated.
- (5) The amendment is based on sound land use planning practices and would further the general public health, safety and welfare.

Transmittal of the proposed regulation amendments to the Department of Commerce was initiated August 14, 2024. Department of Commerce shall be sent the proposed changes at least sixty calendar days prior to anticipated effective date of any adopted land use regulation. Once (any) amendments are adopted by the Board of Chelan County Commissioners, Department of Commerce shall be notified within ten calendar days of adoption.

Staff Analysis:

The 14 goals of the Growth Management Act are:

- (1) Urban growth. Encourage development in urban areas where adequate public facilities and services exist or can be provided in an efficient manner.
- (2) Reduce sprawl. Reduce the inappropriate conversion of undeveloped land into sprawling, low-density development.

- (3) Transportation. Encourage efficient multimodal transportation systems that are based on regional priorities and coordinated with county and city comprehensive plans.
- (4) Housing. Encourage the availability of affordable housing to all economic segments of the population of this state, promote a variety of residential densities and housing types, and encourage preservation of existing housing stock.
- (5) Economic development. Encourage economic development throughout the state that is consistent with adopted comprehensive plans, promote economic opportunity for all citizens of this state, especially for unemployed and for disadvantaged persons, promote the retention and expansion of existing businesses and recruitment of new businesses, recognize regional differences impacting economic development opportunities, and encourage growth in areas experiencing insufficient economic growth, all within the capacities of the state's natural resources, public services, and public facilities.
- (6) Property rights. Private property shall not be taken for public use without just compensation having been made. The property rights of landowners shall be protected from arbitrary and discriminatory actions.
- (7) Permits. Applications for both state and local government permits should be processed in a timely and fair manner to ensure predictability.
- (8) Natural resource industries. Maintain and enhance natural resource-based industries, including productive timber, agricultural, and fisheries industries. Encourage the conservation of productive forest lands and productive agricultural lands, and discourage incompatible uses.
- (9) Open space and recreation. Retain open space, enhance recreational opportunities, conserve fish and wildlife habitat, increase access to natural resource lands and water, and develop parks and recreation facilities.
- (10) Environment. Protect the environment and enhance the state's high quality of life, including air and water quality, and the availability of water.
- (11) Citizen participation and coordination. Encourage the involvement of citizens in the planning process and ensure coordination between communities and jurisdictions to reconcile conflicts.
- (12) Public facilities and services. Ensure that those public facilities and services necessary to support development shall be adequate to serve the development at the time the development is available for occupancy and use without decreasing current service levels below locally established minimum standards.
- (13) Historic preservation. Identify and encourage the preservation of lands, sites, and structures that have historical or archaeological significance.
- (14) Shoreline Management, to manage shorelines wisely.

The proposed amendments provide support implementation of Growth Management Act goals (4) Housing, (5) Economic development, (6) Property rights, (7) Permits, and (11) Citizen Participation and coordination. The short-term rental code balances Growth Management Act goals and requirements to locate growth in urban and rural areas in a manner that encourages the preservation of existing housing

stock, encourages the availability of affordable housing, allows for economic development consistent with the Comprehensive Plan, protects rural character, ensures appropriate public services, protects environmental quality, and provides for fair/timely permits. Zones that limit short-term rentals continue to provide a range of reasonable uses consistent with the district intents such as long-term residential uses, compatible home occupations, and others. (See RCW 36.70A.020 and 070)

COMPREHENSIVE PLAN

Chelan County conducts an annual concurrent review of proposals to amend the Comprehensive Plan. The Plan represents the long-term vision for future land uses and development. Applicants must demonstrate the merits of the requested change as being consistent with adopted goals and policies.

The following Comprehensive Plan goals and policies are relevant to the request:

Goal LU 1: Residential designations shall provide for an adequate supply of land to accommodate the housing needs and strategies outlined by the comprehensive plan. Implementation regulations shall provide for a variety of residential opportunities to serve a full range of income levels.

Policy LU 1.2: Protect residential neighborhoods from impacts associated with incompatible land uses through application of development standards and permit conditioning.

Goal RE 2: Maintain natural environment features that support and enhance natural resource-based economic activities, wildlife habitats, traditional rural lifestyles, outdoor recreation, and open space.

Policy RE 2.2: Rural development should not preclude use of rural lands for agriculture and timber production and should avoid or mitigate impacts on existing agriculture or timber operations.

Policy RE 2.3: Ensure that rural development (residential, commercial and industrial) near designated resource lands occurs in a manner that minimizes potential conflicts and reduces conversion of farm and forest land to non-resource uses. Develop mitigating measures to provide adequate protection against potential conflicts

Goal ED 1: Encourage efforts to diversify the existing economic base to focus on long-term sustainable economic development throughout the County

Policy ED 1.1: Seek to attract businesses and industries that complement and build upon existing business and industry.

Policy ED 1.2: Incentivize development that creates local re-investment funds and provides jobs in the local community.

Goal ED 2: Encourage the retention and growth of recreational and tourist-based industries consistent with the comprehensive plan.

Policy ED 2.1: Promote local tourism activities by developing brochures and media advertisements, and supporting local and self-contained events

Goal ED 4: Local economic development efforts should promote the advantages of working and living in Chelan County, such as availability of work, job security and stability, access to recreational and cultural activities, educational opportunities, quality health care, and affordable housing.

Policy ED 4.2: Encourage economic development efforts that invite broad community participation and address the needs, concerns, rights and resources of a diversity of cultural groups.

Goal ED 6: Establish a regulatory climate favorable for economic development.

Policy ED 6.2: Support development of tourism and recreational uses on both public and private lands.

FINDINGS OF FACT

- Chelan County adopted Title 14, Development Permit Procedures and Administration outlining
 provisions relating to the amendment of Development Regulation Text Amendments of Title 11
 consistent with RCW 36.70A. The County followed the procedures required for amendment of
 the Development Regulations Text Amendments.
- 2. RCW 36.70A.210 requires that the Comprehensive Plan be consistent with the provisions of the adopted County-Wide Planning Policies.
- 3. The requirements of RCW 43.21C, the State Environmental Policy Act, and WAC 197-11, SEPA Rules, have been satisfied. To comply with the requirements of the State Environmental Policy Act for environmental review of a non-project action, the County, as lead agency issued a Determination of Non-significance on August 14, 2024.
- 4. The required State agency review with the Department of Commerce (COM) and other State agencies initiated on August 14, 2024, pursuant to RCW 36.70A.106.
- 5. A request for amendment to Chelan County Code was made by Chelan County; to provide policy and regulatory support to amend the language of the short-term rental code, 11.88.290.

CONCLUSIONS OF LAW

- The amendments to the Chelan County Comprehensive Plan are consistent with the requirements of the Growth Management Act (RCW 36.70A), Chelan County Comprehensive Plan and County-Wide Planning Policies.
- 2. The amendments are necessary to address a public land use issue or problem.
- 3. The amendments do not adversely affect designated resource lands of long-term commercial significance or designated critical areas in ways that cannot be mitigated.
- 4. Reviewing agencies and the general public are being given an opportunity to comment on the proposed amendments.
- 5. The amendments are consistent with Chelan County Code Title 14 Development Permit Procedures and Administration.
- 6. The requirements of RCW 43.21C, the State Environmental Policy Act and WAC 197-11 SEPA Rules have been satisfied.
- 7. The adoption of these amendments is in the best interest of the public and furthers the health, safety, and welfare of the citizens of Chelan County.

ATTACHMENTS

- 1. 11.88.290 STR Code Change Proposals
- 2. SEPA Determination of Non-Significance, dated August 14, 2024
- 3. 60-day Review Acknowledgment Letter from WA Dept. of Commerce, dated August 14, 2024
- 4. Agency and Public Comments (none at time of staff report issuance)

11.88.290 Short-term rental regulations.

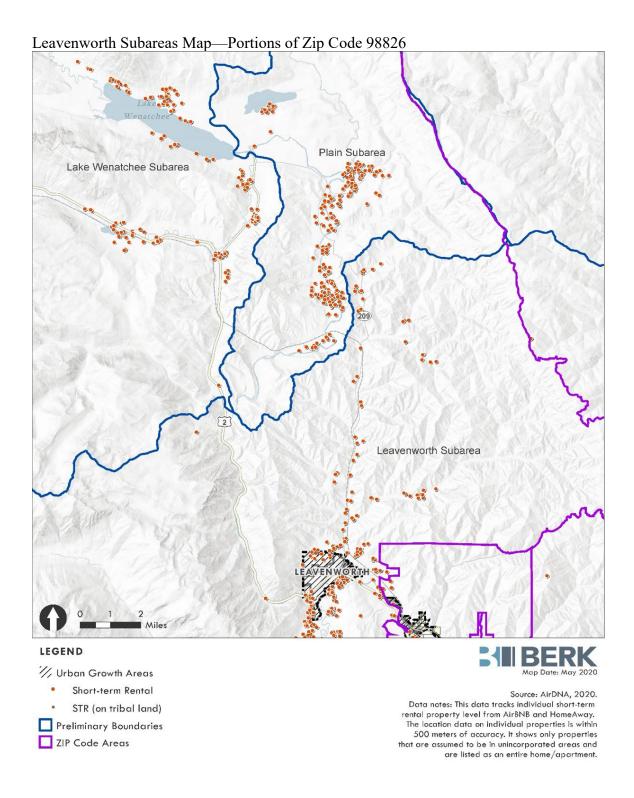
- (1) Purpose.
- (A) Short-term rental use is a commercial use. Where excess rental units exist in residential communities, it has been shown to be detrimental to the affordable residential housing inventory and adversely affect the residential character of those neighborhoods.
- (B) The purpose of this section is to establish regulations for the operation of short-term rentals as defined in Chapter 14.98, within the unincorporated portions of Chelan County, except short-term rental properties within the Stehekin Valley area portion of Chelan County. This chapter also establishes a short-term rental land use permit.
- (i) Stehekin Valley Short-Term Rental Code Development. Stehekin Valley is a remote portion of Chelan County accessible by only horse, foot, water, and air travel. It also lacks modern communication and power infrastructure and has other comprehensive planning, infrastructure, economic, natural resource, and other land ownership and land use considerations. Because of these and other considerations, an additional public process will be needed to specifically develop regulations applicable to short-term rentals in this location. That code will be developed at a later date.
- (C) The provisions of this chapter are necessary to promote the public health and safety by protecting year-round residents' enjoyment of their homes and neighborhoods by minimizing the nuisance impact of short-term rentals on adjacent residences and by minimizing the detrimental impact of excessive short-term rentals on the affordable housing supply.
- (D) The provisions of this chapter are necessary for consistency with the goals and policies of the Chelan County comprehensive plan including but not limited to:
- (i) Land use element considerations of commercial and residential development that provide sustainable economic opportunity while limiting localized sprawl, maintaining community character, and providing employment opportunities for residents, and anticipating future needs;
- (ii) Housing element goals and policies including, but not limited to, appropriate placement of vacation rentals to avoid impacting neighborhood character and housing stock, accessibility to affordable housing for all residents, providing for a variety of residential housing types and densities, and supporting regulatory changes that promote affordable housing options in all locations in the county;
- (iii) Rural element goals and policies including, but not limited to, maintaining natural environment features that support natural resource-based economic activities including small scale recreation and tourist uses, wildlife habitats, traditional rural lifestyles, outdoor recreation, and open space.

- (2) Type, Number, and Location.
- (A) Type. Short-term rentals are distinguished in three tiers.
- (i) Tier 1. Owner/Manager/Operator-occupied (as defined in 14.98.1363) short-term rentals where either (a) rooms are rented and the owner/manager/operator (to include title holders, corporate officers, and contract purchasers) is personally present at the dwelling during the rental period, or (b) the short-term rental is located within the same parcel as the owner/manager/operator 's principal residence and the owner/manager/operator is personally present at the dwelling during the rental period, or (c) the entire dwelling is rented no more than fifteen total days in a calendar year; provided, that an on-site qualified person is there during the owner/manager/operator's absence. Portions of calendar days shall be counted as full days.
- (ii) Tier 2. Short-term rentals at a dwelling that is not owner occupied or Tier 3 short-term rental.
- (iii) Tier 3. Short-term rentals may be either non-owner occupied, or <u>owner occupied</u>, and exceed occupancy limits applicable to Tier 1 and Tier 2 units as identified in subsection (3) of this section. No short-term rental may operate as a Tier 3 short-term rental without meeting all Tier 3 provisions as applicable to their property under the requirements found within this chapter.
- (iv) Existing nonconforming short-term rentals must comply with the provisions of subsection (3)(B) of this section.
- (B) Tiered Permits and Numbers Allowed.
- (i) Tier 1. New Short-term rentals are allowed where permitted per subsection (2)(C) of this section.
- (ii) Tier 2 and Tier 3.
- (a) New Tier 2 and 3 short-term rentals cannot be located where short-term rentals make up more than the maximum share of the total housing stock in residential zoning districts listed in the table below. This is the maximum share of short-term rentals in residential zones within Zip Codes, Zip Code subareas, or within urban growth areas where the use is expressly allowed. Leavenworth subareas are identified based on the boundaries in subsection (2)(B)(ii)(b) of this section. If the share equals or exceeds this level, no new short-term rentals are allowed until the total number falls below this maximum limit.

Maximum Share of Short-Term Rentals-REVISIT/REASSESS ALL CAP NUMBERS

Area	Name of Area	Maximum Share of Short- Term Rentals*
Zip Code 98826	Leavenworth	<u>6%</u>
Subarea 1	Lake Wenatchee	<u>6%</u>
Subarea 2	Plain	<u>6%</u>
Subarea 3	Leavenworth	<u>6%</u>
Other Zip Codes	Each individually	<u>6%</u>
Urban Growth Area	Manson	9%_6%
Urban Growth Area	Peshastin	<u>0%</u>
City Assigned Unincorporated Urban Growth Areas	Each individually	<u>6%</u>

- * Maximum percent share of short-term rentals in residential zones as part of total housing stock.
- (b) Leavenworth subareas are a subset of Zip Code 98826, mapped as follows:



(c) To calculate the maximum share of short-term rentals in subsection (2)(B)(ii)(a) of this section, total dwelling units must be determined based on the latest annual count of total housing units by the State of Washington Office of Financial Management, or another state or county agency that tracks Chelan County housing inventory. Short-term rental percentages must be

determined at the time the number of allowed short-term rentals is determined per subsection (4) of this section.

- (d) Tier 2 and Tier 3 short-term rentals in the following zones are not subject to the maximum cap in subsection (2)(B)(ii)(a) of this section: rural commercial zoned districts, Manson and Peshastin urban growth areas' commercially zoned districts, planned unit developments existing on the date of adoption of this chapter with recorded plat notes expressly permitting short-term rentals, or master planned resorts.
- (e) Share calculations for cities and urban growth areas are calculated separately and independently from other areas within the same Zip Code or a designated subarea of a Zip Code, and one calculation does not affect the maximum allowed share of short-term rentals for the other.
- (f) Within Leavenworth subareas to determine if a new Tier 2 or Tier 3 short-term rental is allowed, first the overall Zip Code share must be met and second the subarea Zip Code share must be met.
- (iii) Existing nonconforming short-term rentals of any tier level are not subject to the limitations in this subsection (2)(B) provided they comply with all the provisions of subsection (2)(E) of this section.
- (C) Zones Allowed. In order to operate, short-term rentals may be allowed pursuant to:
- (i) Section <u>11.04.020</u> applicable to all rural and resource designations, except as limited in subsection (2)(B) of this section.
- (ii) Section <u>11.22.030</u> applicable to the Peshastin urban growth area, except as limited in subsection (2)(B) of this section.
- (iii) Section <u>11.23.030</u> applicable to the Manson urban growth area, except as limited in subsection (2)(B) of this section.
- (iv) The board of Chelan County commissioners adopts the cities of Cashmere, Chelan, Entiat, Leavenworth, and Wenatchee land use regulations, development standards and land use designations, as they apply to short-term or vacation rentals of fewer than thirty consecutive nights or days, within the county adopted unincorporated urban growth area respecting each city as it is now or is hereafter amended for the cities of Cashmere, Chelan, Entiat, Leavenworth, and Wenatchee; provided, that any city regulation requiring acquisition of a business license is not adopted nor incorporated as a county regulation and that instead a conditional use permit may be required, and the county's review procedures in this section must control.
- (a) Upon the date of the adoption of this code on September 27, 2021, any existing short term rentals within the exterior boundaries of any city's designated urban growth area (UGA) are required to have been in full legal compliance with any existing city codes adopted through prior resolution by the county as they applied to short-term rental uses within that UGA.

- (1) If a short-term rental use is operating in violation of the existing county-adopted city codes for that UGA the rental must immediately cease all operation of that use on the date of adoption of this chapter. A property operating in violation of existing city UGA land use regulations has no legal existing nonconforming status as a short-term rental.
- (b) All existing nonconformance claims within a UGA will be subject to joint review by the county and the affected city.
- (c) New short-term rental applicants will be required to comply with the most current city regulations for short-term rental use for each city UGA, which are herein adopted and incorporated under subsection (2)(C)(iv) of this section upon adoption of this code chapter, including if any UGA code prohibits new or continued existing short-term rentals in those zones.
- (v) Existing nonconforming short-term rentals of any tier level are not subject to the limitations in this subsection (2)(C) provided they comply with all the provisions of subsection (2)(E) of this section and any other applicable provisions
- (vi) Applications for a new Tier 3 short-term rental permit required by a district use chart in Chapter 11.04 to have a conditional use permit (CUP) shall have the CUP processed consistent with Chapters 11.93 and 14.10, and shall have the use conditioned for approval based upon the applicable requirements contained within this section. A Tier 3 short-term rental CUP is annually renewable and administratively reviewed under the provisions of subsection (4) of this section, provided the permit is nontransferable under the restrictions contained within subsection (4)(I) of this section.
- (D) Lot Size and Lot Location Standards.
- (i) Minimum lot sizes for new conforming short-term rentals set forth in this subsection are the minimum necessary and shall not be subject to reduction pursuant to Chapter 11.95, Variances, Chapter 11.97, Nonconforming Lots, Structures, and Uses, Chapter 11.98, Reasonable Use Regulations, nor subject to administrative modification. The following minimum lot sizes shall be required to establish a Tier 2 or Tier 3 short-term rental in zoning districts where short-term rentals are permitted or conditionally permitted:

Minimum Lot Area (Acres) Required to Accommodate New Short-Term Rental

Zone	Tier 2	2 Tier 3	
<u>AC</u>	<u>10</u>	Not Allowed	
RR20	10	10	
RR10	10	10	
RR5	5	5	
RR2.5	2.5	Not allowed	
RRR	0.275	Not allowed	
RW	0.275	Not allowed	

Minimum Lot Area (Acres) Required to Accommodate New Short-Term Rental

Zone	Tier 2	Tier 3
RV	0.275	Not allowed

- (ii) New conforming Tier 2 short-term rentals in all residential zones cited in this subsection (2)(D) and within the Manson UGA shall be located a minimum of two hundred feet apart as measured from all points of the existing short-term rental dwelling structures to proposed short-term rental dwelling structures. This distance shall not be subject to reduction pursuant to Chapter 11.95, Variances, Chapter 11.97, Nonconforming Lots, Structures, and Uses, Chapter 11.98, Reasonable Use Regulations, nor subject to administrative modification.
- (iii) Proposals for new conforming Tier 3 short-term rentals shall be located on sites with direct access off of functionally classified highways consistent with the Chelan County transportation element of the comprehensive plan. Access shall be consistent with Section 15.30.330. "Direct access" means either parcel frontage or driveway access from the classified highway right-of-way.
- (iv) Existing nonconforming short-term rentals of any tier level are not subject to the limitations in this subsection (2)(D) provided they comply with all the provisions of subsection (2)(E) of this section.
- (E) Existing Short-Term Rentals.
- (i) A short term rental use shall be considered lawfully established and existing and allowed to continue to operate as a legally nonconforming use only if the owner proves all the following:
- (a) That a location was actually, physically used for short-term rental purposes during the periods specified in subsections (2)(E)(i)(b) and (f) of this section. Proof of rental listing, and income generated is also required; and
- (b) That sales and lodging taxes required under Chapter 64.37 RCW were fully paid for all short-term rental use between July 28, 2019, when Chapter 64.37 RCW was in effect, and August 25, 2020; and
- (c) That the short-term rental meets all requirements of subsection (3) of this section within one year of the effective date of the ordinance codified in this section; provided, that legally required health and safety provisions within subsection (3) of this section including garbage, consumer safety, fire safety and outdoor burning, and property management plan communications provisions are met within ninety days of the effective date of the ordinance codified in this section, except that in the Manson urban growth area, all provisions consistent with Section 11.23.040 as it existed on August 25, 2020, shall be met on the effective date of the ordinance codified in this section; and
- (d) That the short-term rental operator has obtained the required land use permits within the time requirements in subsection (4) of this section; and

- (e) Liability insurance shall be obtained consistent with RCW <u>64.37.050</u> as of the effective date of the ordinance codified in this section (September 27, 2021) per subsection (3)(N) of this section; and
- (f) If located inside of the Manson urban growth area, documentary evidence that the short-term rental was properly registered as a vacation rental with Chelan County per Section 11.23.040 as of August 25, 2020, or that the short-term rental owner held a vacation rental permit in the Manson UGA as of July 28, 2019, or in 2020 prior to August 25, 2020. This documentary evidence also satisfies the requirements found in subsection (2)(E)(i)(a) of this section, provided failure to accurately represent and disclose a property's short-term rental history is grounds for immediate permit denial or revocation, and loss of all existing nonconforming status.
- (g) Any property owner claiming existing nonconforming status as a short-term rental within any Zip Code, subarea, or urban growth area shall resolve any existing county code violations on the property as required under subsection (4)(A)(ii) of this section and shall have complied with all other relevant provisions of this section and apply for and have received an initial short-term rental administrative land use permit and all required conditional use permits under subsection (4) of this section by December 31, 2022, or by failing to do so shall waive all claim to having existing nonconforming status.
- (ii) Nonconforming Short-Term Rental Units Restricted Zones, or by Parcel Size, Numbers Allowable, or Rental Standards.
- (a) Except as provided in subsections (2)(E)(iii) and (iv) of this section, an existing short term rental operating as of September 27, 2021, is considered nonconforming when one or more of the following conditions is met:
- (1) The cap of the Zip Code, Zip Code subarea, or urban growth area is exceeded in subsection (2)(B) of this section; or
- (2) A zone does not expressly allow new short-term rental units per subsection (2)(C) of this section and Sections 11.04.020, 11.22.030, and 11.23.030; or
- (3) The short-term rental is located on a parcel that does not meet the lot size and/or lot location standards of subsection (2)(D) of this section; or
- (4) The short-term rental does not comply with the operating standards of subsection (3) of this section.
- (b) Nonconforming short-term rental properties may only be changed, altered, extended, or enlarged in a manner requiring a permit issued under Chelan County codes if the activity does not increase nonconformance with this or any other chapters of applicable county codes, or to repair unexpected damage from a natural or human caused event provided the repair is that which is minimally required to maintain the former conditions of the rental as it existed prior to the damage.

- (1) Any property that increases its nonconformance with this chapter without written permitted authorization of the department may be subject to immediate revocation of all short-term rental permits and shall lose any legally non-conforming status as a short-term rental. Appeal provisions within Chapter 14.12 and Title 16 apply.
- (c) If the nonconforming short term rental cannot comply with criteria, grace period, and timelines in subsection (2)(E)(i) of this section, it must cease operating no later than one year from the effective date of the ordinance codified in this section (September 27, 2021) and any issued county permit to operate as a short-term rental immediately becomes null and void, subject to appeal under Chapter 14.12 and Title 16.
- (d) After expiration of the permit or revocation of the permit authorizing a nonconforming short-term rental, no operator shall operate a short-term rental, subject to appeal under Chapter 14.12 and Title 16.
- (e) Any short-term rental property that has an unresolved written notice of violation for short-term rental use, received on or before August 25, 2020, or that operated as a short-term rental contrary to the August 25, 2020, Chelan County short-term rental moratorium Resolution 2020-86, or subsequent rental moratorium Resolutions 2020-104 and 2021-20, or upon permit application is found to have an existing zoning, land use, or building permit violation, shall not be considered a legally nonconforming use as follows:
- (1) Moratorium Violation. Short term rental properties in violation of the moratoria resolutions in this subsection (2)(E)(ii)(e) are not subject to a grace period for continued operation and must immediately cease all short-term rental uses of the property on the effective date of adoption of this code.
- (2) Unresolved Written Notices of Violation or Other Violations. An existing short-term rental property found to have existing zoning, land use, or building permit violation must resolve violations according to the time periods of subsection (4)(A)(ii) of this section.
- (3) Under either case in subsection (2)(E)(ii)(e)(1) or (2) of this section, the short-term rental property is subject to all provisions of Title 16; provided, that the appeal provisions of Chapter 14.12 and Title 16 apply.
- (iii) Nonconforming Short Term Rental Units in Manson UGA. Where a short-term rental is located in the Manson UGA, only those short-term rentals that were properly registered as a vacation rental and meet criteria in subsection (2)(E)(i) of this section shall be considered legal nonconforming according to Chapter 11.97, provided the short-term rental is allowed a grace period of operation in which to fully attain compliance with all current rental standards as provided in subsection (2)(E)(i) of this section.
- (iv) Nonconforming Short-Term Rental Units in Peshastin UGA. Existing nonconforming short-term rental units of any tier within the residential zones in the Peshastin UGA are subject to the provisions of subsections (2)(E)(i) and (ii) of this section.

- (v) A nonconforming short-term rental can only become a conforming short-term rental by first providing an affidavit stating they wish to cease being a nonconforming short-term rental and surrender any existing rental use permits, and then applying for a new short-term rental permit subject to all the applicable requirements of this chapter, and other applicable Chelan County codes.
- (vi) The director may permit a property to operate as an existing nonconforming short term rental where the applicant possesses and provides the department written communication, originating from authorized Chelan County community development personnel and written prior to August 25, 2020, that expressly states the short-term rental use of this specific property is an allowed use, and that the current use is in-fact operating and conforming within any parameters or limits expressly stated within that written communication, provided:
- (a) If any provision applicable to existing nonconforming short-term rentals within this chapter is not expressly exempted by the written communication referenced herein, the short-term rental is subject to all requirements for existing nonconforming short-term rentals as provided in this section, except as stated in subsection (2)(E)(vi)(b) of this section.
- (b) If the written communication referenced herein expressly permits and is authorized by septic permitting at the time of that written communication regarding limit on overnight and daytime occupancy, the property shall not be subject to the occupancy limits found within subsections (3)(B)(ii) and (iii) of this section.
- (c) Provisions of this subsection (2)(E)(vi) sunset on December 31, 2022.
- (3) Rental Standards Applicable to All Short-Term Rentals.
- (A) Primary or Accessory Residence.
- (i) Short-term rentals must be operated out of an owner's primary dwelling or a legally established accessory dwelling unit. In no case, shall an owner or operator make available a recreational vehicle, tent, or other temporary or mobile unit for short-term rental.
- (ii) A short-term rental owner may operate only one short-term rental per parcel as designated on their permit application form, which may be in either the primary dwelling or the accessory dwelling unit but not both. The property owner (which includes title holders, corporate officers, and contract purchasers) shall occupy either the primary unit or the accessory unit as their permanent residence if property is permitted and used as a short-term rental. In the case a corporate entity owns the property, at least one principle officer must be a permanent resident of the property. Proof of residence includes, but is not limited to, government issued identification, utility bills, or other proof satisfactory to the Director. If the short-term rental occurs in a multifamily dwelling the same owner may not rent more than one unit in the development.
- (iii) A short-term rental owner may exceed the limits placed on short-term rentals in subsection (3)(A)(ii) of this section on a parcel subject to the district zoning requirements of a rural

commercial county zone or similar urban growth area commercial zone, provided the short-term rental must comply with the provisions of Section <u>11.04.020</u>, <u>11.22.030</u>, or <u>11.23.030</u>.

- (B) Occupancy.
- (i) The number of rented or occupied bedrooms shall not exceed the number approved in relation to the on-site sewage system approved by the Chelan-Douglas health district, or strictly follow the requirements of any sewer district or other waste management provider that is being utilized by the rental.
- (a) All short-term rentals must meet and maintain this standard immediately, and this provision is not subject to any grace period.
- (b) Occupancy of bedrooms is limited to two persons per bedroom, including children not including children under 24 months of age.
- (ii) Tier 1 and Tier 2 Occupancy Limits.
- (a) Overnight Occupancy. The owner or operator must limit overnight occupancy to no more than two persons per bedroom, not to exceed:
- Tier 1: a total of eight persons including children owner(s) and any children over 24 months of age.
- Tier 2: a total of twelve persons including children over 24 months of age.
- Tier 3: a total of sixteen persons including <u>any onsite owner(s) and children over 24 months of age.</u>
- (b) Daytime Occupancy.
- Tier 1: At no time shall the total number of persons at a short-term rental exceed eight persons, including children over 24 months of age, but excluding the owner.
- Tier 2: At no time shall the total number of persons at a short-term rental exceed twelve persons, including children over 24 months of age.
- Tier 3: At no time shall the total number of persons at a short-term rental exceed sixteen persons, including children over 24 months of age, but excluding the owner, if one resides on the property.
- (c) For purposes of subsections (3)(B)(ii) and (iii) of this section occupancy after ten p.m. and before seven a.m. is considered overnight occupancy and all rental use must fully comply with the overnight occupancy limitations found within this section.
- (iii) Exceeding Daytime Occupancy Limits.

- (a) In order for any existing nonconforming or new short-term rental of any tier level to exceed total daytime occupancy limits contained in subsection (3)(B)(ii) of this section, or to host events such as weddings, gatherings, or retreats an operator must first obtain a conditional use permit and satisfy all the conditions of approval consistent with Section 11.93.315, Places of public and private assembly, before operation; provided, that the zone allows short-term rentals as a permitted, or conditionally permitted use and meets all other short-term rental requirements of this section; provided, that overnight occupancy is limited to the provisions of subsections (3)(B)(ii)(a) and (c) of this section. All other applicable criteria of Chapter 11.93 shall be met.
- (1) For new conforming short-term rentals to exceed the daytime occupancy under a conditional use permit, in addition to the requirements in this subsection (3)(B)(iii)(a), the operator must either take access from a classified highway consistent with subsection (2)(D)(iii) of this section, or be located in a master planned resort, or in a commercial zone.
- (b) Facilities exceeding overnight occupancies of sixteen persons are considered lodging facilities that must meet the requirements of that zone and use.
- (C) Parking.
- (i) Provide residential parking, not located within a setback and not within any recorded access easement, consistent with the provisions of Chapter 11.90.(this section and 11.90 should mirror one another)
- (ii) The number of vehicles allowed at the short-term rental must be limited to the number required per Section 11.90.060; this requirement must be included in the property management plan per subsection (3)(K) of this section; provided, that any short-term rental may exceed these limits for hosted events if a conditional use permit has been obtained and all conditions of approval including traffic and parking requirements have been satisfied consistent with Section 11.93.315. Parking must be located on the same parcel of property as the STR. For purposes of this section, "vehicles" includes any boats, trailers, campers, personal watercraft, etc.
- (iii) Unlawful or unsafe parking by short-term rental tenants and guests, owner or operator joint liability if violation not abated. Qualified persons or owner or operators of short-term rental properties notified of unlawful or unsafe complaints related to their short-term rental tenants, or their guests are responsible to promptly abate the parking complaints emanating from their property for noncompliance with subsections (3)(C)(i) and (ii) of this section, or for parking on the property of a neighbor without express permission, or blocking the access to that neighboring driveway, or preventing their unobstructed use of that neighboring property. If the owner fails to cause the parking complaint to be abated within sixty minutes of notification of the complaint, he is subject to the enforcement penalties jointly and severally with the renter, or guest creating the parking violation under this chapter and Title 16.
- (iv) Repeat Violations. Two verified parking violations unabated within sixty minutes as provided in subsection (3)(C)(iii) of this section within six months on or adjacent to the same property may also be subject to additional penalties under Chapter <u>16.20</u>, up to and including revocation of the short-term rental land use permits under Section <u>16.20.040</u>.

- (D) Garbage. Trash containers must be provided. Trash must be in proper containers on collection day. Trash must be managed in compliance with Chapter 4.04, Garbage. This requirement must be included in the property management plan per subsection (3)(K) of this section and good neighbor guidelines per subsection (3)(M) of this section.
- (E) Noise.
- (i) Short-term rentals must be operated in compliance with Chapter 7.35, Noise Control. This requirement must be included in the property management plan per subsection (3)(K) of this section.
- (ii) Public Disturbance Noise Complaints. Renters are subject to the provisions of Chapter 7.35. Owners or operators of short-term rental properties notified of complaints are responsible to promptly abate public disturbance noise complaints on their property. If the owner or operator fails to cause the noise to be abated within sixty minutes of notification of the complaint, he is subject to compliance with Chapter 7.35 and the enforcement penalties jointly and severally with the renter creating the public disturbance noise.
- (iii) Repeat Violations. Two verified public disturbance noise violations unabated within sixty minutes as provided in subsection (3)(E)(ii) of this section within six months of on the same property may also be subject to additional penalties under Chapter 16.20, up to and including revocation of the short-term rental land use permits under Section 16.20.040.
- (F) Trespass.
- (i) Owners or operators must provide rules in rental contracts restricting occupants from trespassing on neighboring private property and identify proper routes to public places such as easements to shorelines. Such trespass rules must be included in the property management plan in subsection (3)(K) of this section and good neighbor guidelines per subsection (3)(M) of this section.
- (ii) Trespass by Short-Term Rental Tenants and Guests, Owner or Operator Joint Liability. Qualified persons or owner or operators of short-term rental properties notified of trespassing complaints related to their short-term rental tenants, or their guests are responsible to promptly abate trespass complaints emanating from their property. If the owner or operator fails to cause the trespass to be abated within sixty minutes of notification of the complaint, he is subject to the enforcement penalties jointly and severally with the renter, or guests creating the trespass under Section 7.32.030 and Title 16.
- (iii) Repeat Violations. Two verified trespass violations unabated within sixty minutes as provided in subsection (3)(F)(ii) of this section within six months of on or adjacent to the same property may also be subject to additional penalties under Chapter 16.20, up to and including revocation of the short-term rental land use permits under Section 16.20.040.
- (G) Signs.

- (i) All owners or operators must display and maintain the address of the residence so that it is clearly visible from the street or access road in compliance with Section 10.20.520 requirements. The rental must also display and maintain an additional sign outside identifying the property as short-term rental and displaying the Chelan County short-term rental registration permit number and eentral phone number of local contact/qualified person to be called if an issue needs someone onsite within 60 minutes as required by the County. The sign must not exceed eight square feet in area and if illuminated, must be indirectly illuminated, and letters and numbers must at a minimum four inches in height. The sign must be all-weather, reflective, and permanently set/posted.
- (ii) Placement of the Sign.
- (a) For short-term rental structures located fifty feet or less from the primary road, the sign text shall be displayed on the side of the structure facing the road and shall be visible from the road designated in the assigned address.
- (b) For short-term rental structures located fifty feet or more from the primary road, or for buildings not visible from the road, the sign text shall be posted inside the owner's property line at the access point to the road designated in the assigned address.
- (iii) If the permanent contact information changes during the permit period, the new information must be changed on the sign. Renewal applications must provide evidence of the sign.
- (iv) The director may allow annual mailings to adjacent properties and an interior posted notice for tenants in lieu of an exterior sign where a property's size and visibility make an exterior sign ineffective, or if for reason of improving security. The owner shall provide verification of mailings and a copy of the notice with the annual permit renewal.
- (H) Consumer Safety. All consumer safety requirements of RCW $\underline{64.37.030}$ must be met by the owner or operator. Violations are subject to Title $\underline{16}$. Requirements must be included in the property management plan in subsection (3)(K) of this section.
- (I) Fire Safety and Outdoor Burning.
- (i) Each owner or operator must include a fire protection plan within their property management plan in subsection (3)(K) of this section to alert renters to respect firewise efforts on a property, or to comply with travel or activity restrictions of Chapter 7.52, Fire Hazard Areas. The fire protection plan shall demonstrate consistency with a Ready Set Go program or equivalent; this includes, but is not limited to, restricting the use of fireworks, outdoor fires, open flame devices, portable fireplaces, fire pits, chimeneas, or BBQ devices. All permanently installed outdoor flame devices, as well as portable burning devices shall have the ability to be secured from use in accordance with Chapter 7.52, Fire Hazard Areas, and these devices must be secured during all periods of regulated burning restrictions banning the use of that device.
- (ii) At least one 2A:10BC fire extinguisher, charged, maintained, and in serviceable condition shall be prominently available in the common living space.

(J) Qualified Person/Local Contact

- (i) The owner or operator must provide the name, telephone number, address, and email of a qualified person or their designee (which can be a person or company) who can be contacted concerning use of the property and/or complaints and can respond, personally or through a designee, to the property within sixty minutes to complaints related to the short-term rental consistent with the requirements of this section. The owner or operator must provide a valid telephone number where qualified person can reliably be reached twenty-four hours per day, every day the property is rented.
- (ii) Failure to have a qualified person available to respond when contacted, or a failure to abate any complaint regarding a rental code standard under this subsection (3) by the qualified person or owner or operator within sixty minutes is a violation under this subsection and subjects the owner or operator to the civil penalties provided in Section 16.20.030.
- (iii) Repeat Violations. A second subsequent violation within twelve months of the previous violation of failing to have a qualified person available, or failing to respond to a complaint once notified by the sheriff, county staff, or by any monitoring service employed by the county, or from a complainant (if verifiable) is grounds for revocation of the short-term rental permit under Section 16.20.040.
- (K) Property Management Plan.
- (i) Short-term rentals must maintain an up-to-date property management plan on file with the Chelan County community development department and be prominently displayed within the common living area portion of the rental. If changes/updates are made during the term of the permit, the Department must be provided the updated/changed information in the form of updated forms. The property management plan must include the following:
- (a) Provide a floor plan and site map clearly depicting the property boundaries of the short-term rental, and the escape route in case of an emergency. The plan must provide a map indicating if there is an easement that provides access to a shoreline and, if an easement or other lawful access exists, the boundaries of the easement or access must be clearly defined. If there is no lawful access, this fact must be indicated within the plan together with a warning not to trespass;
- (b) Provide the unified business identifier number, Chelan County short-term rental permit number, and the names and addresses of the property owner or operator;
- (c) Designate a qualified person and provide contact information consistent with subsection (3)(J) of this section; and
- (d) Provide information required for consumer safety per subsection (3)(H) of this section and RCW 64.37.030 and fire protection plan per subsection (3)(I) of this section.
- (e) All units must have an operable landline or voice over internet protocol (VOIP) telephone installed to aid in emergency response, and the dwelling recorded in "Rivercom" database. The

address and phone number of the property and the contact phone number for the qualified person shall be prominently displayed near the phone. If land line or VOIP is not available at the site, the director may at his discretion allow the owner or operator of the short-term rental to use an alternative means of direct phone communication, as long as the communication device is fixed at the location and the phone number is not changed within the annual permitting period. This phone number shall be noted on the permit application and the property management plan which shall also include any special instructions and list any local emergency services calling numbers required for use of the communication device in an emergency.

- (1) Renter-owned or possessed mobile phones shall not be used in place of this requirement as they are not always usable in all areas, their batteries may deplete, or they may not be present with the phone at the rental for periods of time during occupancy.
- (f) The plan must identify the method by which the owner or operator will notify renters of emergency or temporary conditions such as burn bans.
- (g) The plan must specify the maximum number of guests and number of bedrooms.
- (h) The plan must include the maximum number of vehicles allowed, and a map with the designated parking space locations allocated for each vehicle.
- (i) The plan must be kept up to date at the time of the annual permit and include the annual permit number per subsection (3)(L) of this section.
- (j) The plan must include the good neighbor guidelines per subsection (3)(M) of this section.
- (L) Annual Permit Number. The owner or operator must include the Chelan County land use permit number for the short-term rental in all advertisements and ensure its prominent display on platforms and other forums for rental (AirBnB, VRBO, Craigslist, poster, etc.) and on marketing materials such as brochures and websites.
- (M) Good Neighbor Guidelines. Owners and operators must acknowledge receipt and review of a copy of the good neighbor guidelines. Owners and operators must provide evidence that the good neighbor guidelines have been effectively relayed to short-term rental tenants, by incorporating it into the property management plan, and rental contract, posting it online, providing it in a conspicuous place in the dwelling unit, or a similar method.
- (N) Liability Insurance. A short-term rental owner or operator must maintain primary liability insurance consistent with RCW <u>64.37.050</u>.
- (O) Taxes. The owner or operator must comply with Chapter 6.30, and other local sales taxes and state hotel/motel/lodging and sales taxes in accordance with the Department of Revenue. Proof of paid sales tax and lodging tax must be provided annually at time of renewal.
- (4) Land Use Permits.

- (A) Land Use Permit Required.
- (i) On or after September 27, 2021, and except as provided in subsection (4)(D)(i) of this section, no short-term rental owner or operator may advertise, offer, operate, rent, or otherwise make available or allow any other person to make available for occupancy or use as a short-term rental without a valid short-term rental administrative land use permit issued by the director or a conditional use permit approved by the hearing examiner pursuant to this chapter and Chapter 14.10. All dwelling units on a single parcel shall be reviewed concurrently in the same application, and the dwelling to be used as a short-term rental shall be clearly identified.
- (ii) All uses on the property must fully comply with this title and the property may not have existing unresolved Chelan County code permitting, land use, or other violations under Title 3, 11, 15, or 16 in order to be eligible to apply for an administrative short-term rental land use permit or conditional use permit under this chapter. Existing properties claiming nonconforming short-term rentals may be issued a provisional short-term rental permit and may be provided the time of their respective grace period pursuant to subsection (2)(E)(i)(c) of this section, but no later than December 31, 2022, to address all violations. No provisional or other short-term rental land use permits shall be issued after that date until any violations are resolved. The director may extend the timeframe for up to six additional months to obtain compliance upon a showing of a good faith effort.
- (B) Annual Renewal. Annual renewal of the short-term rental land use permit is required.
- (i) The department shall by September 1st of each year, mail send a renewal reminder notice to the permitted owner or operator, sent to the postal address or the email address on file reminding of the renewal requirement of the rental permit requirement. The method of the reminder sent is at the discretion of the Department. Reminders are a courtesy to short-term rental operators and failure to receive a reminder does not relieve the owner of any duty under the Chelan County Code, or act as a defense to any action by the County to enforce this section.
- (ii) A permit expires on December 31st of each year, regardless of when it is issued.
- (iii) All annual permitting fees are not pro-rated.
- (iv) All permit renewal applications for permitting year 2023, and beyond, must be received annually by October 31st of the preceding year.
- (a) At their discretion the director may, upon showing of a hardship reason for applicant's delay, accept permit renewal applications received after October 31st but before December 31st of the same year and may assess double the normal fees for permitting, Annual renewal applications will be considered on time if received between September 1 October 31 each year. Renewal applications received between November 1 November 30 will be considered late, and will pay a late fee of a late fee of late, and will be considered late, and will pay a late fee of late, and will be considered late, and will pay a late fee of late, and will be processed, but provided the short-term rental may not

continue operation past December 31st until the permit application is approved and a permit issued, and renewal approval is not guaranteed. This applies to all permit tier levels.

- (b) Permit renewal applications received after December 31st will not be accepted, and the short-term rental <u>operating without obtaining a renewal</u> must immediately cease operations on on January 1st of the following year. The owner and property lose any vesting to continue operation as a legally conforming or nonconforming short-term rental under this chapter. Expired short-term rentals under this subsection are then subject to the housing cap provisions of subsection (2)(B) of this section and must apply as a new short-term rental if all other provisions of this section allow, and consistent with the applicable district use chart.
- (C) Permit Applications.
- (i) Short-term rental owners must apply for an administrative land use permit to establish compliance with this code. This will include a Short Term Rental permit and, in some cases, an additional land use permit. Fees consistent with Section 3.24.010 must be paid. Applicable fees shall reflect costs for review, inspections, and permitting of different short-term rental tiers, and inspections at the appropriate stage. All other permit costs apply. Fees are due at the time of permit application.
- (D) Application Acceptance and Evaluation.
- (i) Existing Nonconforming Short-Term Rentals. Beginning on September 27, 2021, and by December 31, 2021, all existing short-term rentals operating as of dates established in subsection (2)(E) of this section and subject to the provisions of subsection (2)(E) of this section wishing to operate as a short-term rental for the remainder of 2021 shall pay a fee equal to one-quarter of the annual permit fee established for their tier per the table in Chapter 3.24, and register on a department registration provisional self-certification form. This self-certification form serves as the first provisional short-term rental permit application. Those owners and properties failing to register within this time period shall not be considered as an existing and nonconforming short-term rental use for 2021 under this section and shall forfeit any claim of continuing existing nonconforming short-term rental use status for 2022 and beyond under this section, and any short-term rental that occurred during this period is considered to have been in violation of this chapter, subject to appeal provisions under Chapter 14.12 and Title 16.
- (ii) Application for or issuance of any provisional short-term rental permit does not guarantee future issuance of a short-term rental administrative land use permit under subsection (4) of this section. The provisional permit is intended to be temporary and is only in effect while the department reviews all permit applications for compliance with all Chelan County regulations, including this chapter, for the 2021 and 2022 permit years before issuance or denial of issuance of a short-term rental administrative land use permit. This single (4)(D)(ii) provision ceases to exist on December 31, 2022.
- (a) All existing nonconforming short-term rental owners wishing to continue short term rental land use operation past the 2021 year registration for the 2022 calendar year shall apply for a short term rental permit on a provisional self-certification form no later than December 31, 2021.

This self-certification form serves as the 2022 provisional short term rental permit application. The applicant may continue provisional operation until the review, found this subsection, has been completed and an administrative determination has been made, and the owner has been notified whether their short-term rental is in lawful compliance with this chapter so they may continue to operate in 2022.

- (iii) For urban growth areas or Zip Codes below the cap as of the date of permit application, owners may apply for a new short-term rental application per subsection (4)(D)(v) of this section.
- (iv) By not later than June 30, 2022, the director shall upon review for accuracy, completeness, and code compliance provisionally approve a Tier 1 short-term rental property, or any existing nonconforming Tier 1, 2, or 3 short-term rental property as provided in subsection (2)(E) of this section, for an initial short-term rental administrative land use permit subject to the owner completing a self-certification form in subsection (4)(D)(i)(a) of this section; provided, that inspections in subsection (4)(H) of this section are accomplished prior to the first renewal thereafter; provided, that any owner who has been found to be ineligible for continued operation under this chapter that has been notified by the department shall have thirty calendar days to provide any correction to the information that led to that determination of ineligibility, if a correction is possible, or cease all operation as a short-term rental. They must reapply for permitting under all applicable provisions of this section, subject to appeal provisions under Chapter 14.12 and Title 16.
- (v) New Compliant Short-Term Rentals. Beginning on December 1, 2021 new compliant Tier 1, Tier 2, and Tier 3 land use permit applicants may apply to obtain a new conforming short-term rental permit pursuant to the provisions and limitations of subsection (2) of this section.
- (a) New short term rental applications are not allowed for 2021. Applications for 2022 new compliant short term rentals in urban growth areas or Zip Codes below the cap based upon available data may apply for a short term rental land use permit application starting December 1, 2021, and by no later than July 29, 2022, as provided herein. No new 2022 permit applications will be accepted after July 29, 2022. Permit applications, or reservations for application appointments, will be taken on a first-come, first-served basis at the community development office starting at nine a.m. After the 2022 permitting year, permit applications for subsequent years are only accepted on the published dates allowing permitsubmission. The number of permit applications accepted shall not exceed the number of short-term rentals allowed per the applicable housing cap within each Zip Code and urban growth area as provided in subsection (2)(B) of this section. Once the limit on the number of applications for Tier 2 and Tier 3 short-term rentals has been reached, the window of time for submission shall be closed for that year; provided, that Tier 1 applications do not have a limit on the number of applications.
- (b) The director shall annually by March 15th determine the share of short-term rentals to the overall housing stock in each of the unincorporated Zip Codes and urban growth areas, and accordingly schedule a permit application time window, to be held only once annually between June 1st and July 31st, to allow new short-term rental applications for the following year in each

Zip Code and urban growth area where the cap in subsection (2)(B) of this section is not exceeded.

- (c) A completed permit application does not guarantee that the applicant will receive a permit to operate a short-term rental. Application acceptance only guarantees participation in the permit application process and a review for subsequent permitting under the regulations in existence at time of acceptance.
- (d) An application must be deemed complete have all required information and the parcel must be in compliance with all City/County/State codes before a permit is issued. Any applicant who does not complete the required application forms, complete any required inspections or other processes contained within this chapter, and fully submit any required supplemental information or who within thirty calendar days of notification fails to correct any application documentation submission deficiencies as requested by the department by any required deadlines, including submitting a complete application for any required conditional use permits, or who upon application review is found to have knowingly provided false information, or if the applicant or property is found to be out of compliance with this or other titles of Chelan County land use or development codes, is therefore ineligible for a short-term rental permit. The applicant shall not receive any further processing of their application. Once denied, the applicant shall not be eligible for rental permit application until such time as the owner can show compliance with Chelan County regulations, and then must reapply to restart the process.

During the annual renewal review process, the Director reserves the right to update and correct permits which may include adjustments to occupancy, tier level, etc, if discrepancies are found.

- (vi) All application fees are nonrefundable.
- (E) Term. A short-term rental land use permit must be issued for a period of one calendar year, with its effective date running from the date the application is due as set forth in subsection (4)(D) of this section and must be renewed annually by the owner or operator provided all applicable standards of this section are met.
- (F) Forms and Procedures. Applications for short-term rental land use permits must be on forms provided by the county, demonstrating the application meets the standards required by this section. Permit review procedures and appeals must be consistent with Title 14.
- (G) Nonuse. All short-term rentals must operate under a current short-term rental land use permit regardless of nonuse. If a property has not been rented in a twelve-month period, renewal of short-term rental land use permit must still be met to maintain the validity of the permit and to retain eligibility for renewal in immediately subsequent years.
- (H) Fire, Safety, Health, Short-Term Rental Standards, and Building Codes Compliance, and Inspections.
- (i) Fire and Emergency Safety and Short-Term Rental Standards. Prior to approving the initial short-term rental permit and prior to each renewal, the Fire Marshal's Office or Community

Development personnel must perform a life-safety and applicable short-term rental or conditional land use permit standards inspection, except as provided under subsections (4)(H)(iii) and (iv) of this section.

- (ii) Wastewater. Each applicant shall demonstrate to the satisfaction of the director they have a properly functioning and permitted on-site sewage system meeting applicable health district permitting and standards for the occupancy. The wastewater system must, at all times of occupancy, be maintained and operate as originally permitted.
- (iii) The director may waive inspections under subsections (4)(H)(i) and (ii) of this section associated with the initial short-term rental permit if the owner or operator provides a notarized affidavit from the applicable fire district or fire marshal or Chelan-Douglas health district that the short-term rental complies with applicable requirements in subsections (4)(H)(i) and (ii) of this section.
- (iv) After the unit is approved and permitted for rental, a completed self-certification checklist for health and safety is required to be submitted by the owner with each annual short-term land use permit renewal consistent with forms provided by the director.
- (v) Owner Responsibility. It is the owner's responsibility to ensure that the short-term rental is and remains in substantial compliance with all applicable codes regarding fire, building and safety, health and safety, and other relevant laws.
- (vi) Owners applying for or receiving a valid short-term rental land use permit or a conditional use permit for short-term rental or event venue use must allow the director or designee to inspect or reinspect the property at reasonable times to determine initial compliance with subsections (3) and (4)(H) of this section. If complaints are received, or evidence is encountered indicating noncompliance with this chapter the department may reinspect the property at reasonable times. Denial of entry for inspection is grounds for immediate permit denial or revocation of all permits for short-term rental land use under this chapter pursuant to Section 16.20.040.
- (I) A short-term rental permit for a code compliant short-term rental permitted according to subsection (4)(D) of this section is only transferable to a new owner under the provisions below.
- (i) With a conforming short-term rental the permit is not transferable, even in the event of death or divorce of an owner.
- (ii) A nonconforming short-term rental permitted according to the provisions of subsection (2)(E) of this section is allowed to transfer the existing permitted nonconforming status and currently issued operating permit to continue under a new owner one time within five years, except three years within the Manson urban growth area, of the effective date of the ordinance codified in this section (September 27, 2021) consistent with subsection (4)(I)(iii) of this section, and the new owner may continue to operate under the existing short-term rental permit for the remainder of the current registration year and renew permits and operate in subsequent years under the permitting requirements applicable to the original owner; provided, that within thirty calendar days of the property sale or transfer closing, the subject property's new owner wishing to transfer

the STR permit into their ownership has requested the transfer of the STR permit from STR Staff at the Department and provided all requested materials provided their contact name and registration information with to the Department. The new owner shall provide signage and notification consistent with subsection (3)(G) of this section.

- (iii) A transfer occurs when the property is sold <u>transferred</u> by a person or <u>corporation entity</u>, to another person or <u>corporation entity</u>, or when officers of <u>corporations entities</u> are changed to remove <u>former officers and add new officers any officer or</u> add <u>any new officer or officers</u>, except that a transfer does not occur when officers are changed due to death where title is held in survivorship with a spouse or a transfer on the owner's death to benefit only a spouse or child(ren) for the lifetime of the spouse or child(ren). The survivor may not sell or transfer title, except that title may transfer among the survivors. A transfer also does not occur when due to divorce a former spouse's name is removed from the deed or corporation.
- (iv) No transfers of the existing nonconforming short-term rental status may occur other than as provided in this subsection (4)(I), and the second owner of a lawful permit transferred must obtain all required short-term rental permits and meet all applicable requirements of this chapter for all subsequent years beyond the current issued permit. If the property is transferred again, or is not issued a short-term rental permit in any subsequent years after initial transfer under this subsection (4)(I), the property loses its legal nonconforming status that would have applied to the original owner had they not transferred ownership.
- (J) Approval Criteria.
- (i) To receive approval or renewal, an owner must demonstrate to the satisfaction of the director that all approval criteria listed below have been satisfied:
- (a) The short-term rental is located in a base or overlay zone that allows its use pursuant to this section.
- (b) The short-term rental is consistent with density, location, and occupancy limitations of this section.
- (c) The short-term rental is consistent with short-term rental standards of this section.
- (d) The short-term rental is consistent with all applicable health and safety requirements of this section.
- (e) The short-term rental is not the subject of current or outstanding code violations per Title 16.
- (f) The short-term rental is considered non-conforming and is in full compliance with subsection (2)(E) of this section.
- (g) The short-term rental has not been transferred in violation of subsection (4)(I) of this section.

- (K) Appeals of the denial or conditions of short-term rental land use permits or annual renewals must be filed in compliance with Title <u>14</u>.
- (5) Enforcement.
- (A) Within Chelan County jurisdiction, a short-term rental must not operate without an approved and valid short-term rental permit. Evidence of operation includes, but is not limited to, advertising, online calendars showing availability, guest testimony, online reviews, rental agreements, or receipts.
- (B) Enforcement of this section will be in accordance with Title <u>16</u>.
- (6) Monitoring. The director shall report to the board of county commissioners on the status of short-term rental regulation implementation annually at the time the existing short-term baseline is reported per subsection (4)(D) of this section. The county may initiate a review or amendment pursuant to Chapter 14.13.
- (A) The director may utilize a commercial monitoring and/or response service to assist with implementation of this chapter. (Res. 2021-120 (Att. A), 9/21/21; Res. 2021-95 (Att. A), 7/27/21).



CHELAN COUNTY

Department of Community Development 316 Washington Street, Suite 301, Wenatchee, WA 98801 Telephone: (509) 667-6225 Fax: (509) 667-6475

SEPA NOTICE ISSUANCE OF **DETERMINATION OF NON-SIGNIFICANCE (DNS)**

Project

Zoning Text Amendment to Chelan County Titles 11, Section 11.88.290

Description:

File Number:

PL 2024-___(Code Text Amendments)

Lead Agency:

CHELAN COUNTY

An application for a minor text amendments to Chelan County:

Zoning code text amendment specific to section 11.88.290 of the Chelan County Code. The Short term rental regulations were developed through a 2 year process starting in late 2019 and culminating in a August 2021 resolution. The BoCC committed to review the code regulations again after a full year or two of implementation.

The lead agency for this proposal has determined that it does not have a probable significant adverse impact on the environment. An Environmental Impact Statement (EIS) is not required under RCW 43.21C.030(2)(c). The decision was made after review of a completed environmental checklist and other information on file with the lead agency. This information is available to the public upon request.

This Determination of Non-Significance is issued under WAC 197-11-340. Comment period ends 14 days from date of publication.

Responsible Official: Deanna Walter, Director / SEPA Responsible Official

Address:

Chelan County Department of Community Development

316 Washington Street, Suite 301

Wenatchee, WA 98801

Phone:

(509) 667-6225

Signature:

Date: 8/14/24

THANK YOU

We have received your amendment submission. Please allow 1-3 business days for review. Please keep the Submittal ID as your receipt and for any future questions. We will also send an email receipt to all contacts listed in the submittal.

Submittal ID: 2024-S-7362

Submittal Date Time: 08/14/2024

Submittal Information

Jurisdiction Chelan County

Submittal Type60-day Notice of Intent to Adopt AmendmentAmendment TypeDevelopment Regulation Amendment

Amendment Information

Brief Description

Proposed zoning code text amendment specific to section 11.88.290 of the Chelan County Code. The short-term rental regulation were developed through a 2 year process starting in late 2019 and culminating in a August 2021 resolution. The BOCC committed to review the code regulations again after a full year or two of implementation.

Yes, this is a part of the 10-year periodic update schedule, required under RCW 36.70A.130.

Anticipated/Proposed Date of Adoption 01/01/2025

Categories

Submittal Category

Development Regulations

Attachments

Attachment Type	File Name	Upload Date
SEPA Materials	DOC040.pdf	08/14/2024 02:55 PM
Development Regulation Amendment - Draft	DOC041.pdf	08/14/2024 03:08 PM

Contact Information

PrefixMs.First NameDeannaLast NameWalter

Title Community Development Director

Work (509) 667-6518

 Cell

 Email
 deannac.walter@co.chelan.wa.us

Yes, I would like to be contacted for Technical Assistance.

Certification

I certify that I am authorized to submit this Amendment for the Jurisdiction identified in this Submittal and all information provided is true and accurate to the best of my knowledge.

Full Name Jessica Thompson

Email jessicak.thompson@co.chelan.wa.us



August 23, 2024

Chelan County Planning Commission 316 Washington Street, Suite 301 Wenatchee WA 98801

Re: August 28, 2024, Hearing for Proposed Amendments to the Short-Term Rental Provision in the Chelan County Code, specifically Section 11.88.290.

Dear Honorable Planning Commissioners,

Residents Coalition of Chelan County (RC₃) is submitting the following comments on the proposed changes to Chelan County Code (CCC) pertaining to Short-Term Rentals (STRs) (CCC 11.88.290) to be discussed at the August 28, 2024, Planning Commission hearing.

As you know, Residents United for Neighbors (RUN), RC₃'s predecessor organization, was deeply involved in the original promulgation of CCC 11.88.290, including having a board member on the Task Force associated with code development. This process took over two years of intensive effort, reflecting the complexity and importance of the issues at hand. Both sides of the issue, represented by RUN and the Short-Term Rental Association of Chelan County, made significant compromises during the final STR Task Force negotiations to achieve a comprehensive and balanced outcome. The extensive deliberations and compromises made over this period were essential to develop a code that addresses the needs and concerns of all stakeholders. These historical efforts must be respected.

The following comments are provided for some of the specific code changes proposed. $\underline{RC_3}$ is supportive of the other minor changes proposed that are not specifically addressed below.

Comments on Specific Proposed Changes to the Code

Proposed Changes to CCC 11.98.290(2)(A)(i) - Description of Tier 1 Short-Term Rental

The following changes to this section of the code are proposed:



(i) Tier 1. Owner/Manager/Operator-occupied (as defined in 14.98.1363) short-term rentals where either (a) rooms are rented and the owner/manager/operator (to include title holders, corporate officers, and contract purchasers) is personally present at the dwelling during the rental period, or (b) the short-term rental is located within the same parcel as the owner/manager/operator 's principal residence and the owner/manager/operator is personally present at the dwelling during the rental period, or (c) the entire dwelling is rented no more than fifteen total days in a calendar year; provided, that an on-site qualified person is there during the owner/manager/operator's absence. Portions of calendar days shall be counted as full days.

 RC_3 strenuously objects to this proposed change. Anyone other than a true owner would not have the same interests in ensuring that noise, parking, and other potentially-disruptive issues are immediately addressed. The owner has an incentive to keep down nuisance issues while onsite, while a manager does not necessarily. And what would stop the owner from just naming one member of each group renting the STR from being the official manager for that stay? It would result in renters policing themselves.

Moreover, there is no way for the County to keep track of who is the designated manager or even assure that one is designated. There could be turnover in renters every 30 days in the unit that is not designated as the STR.

Tier 1 STRs must be owner-occupied. One of the aims in allowing owners to rent out accessory dwelling units was to provide them with a source of income to offset the high cost of housing and property taxes. It was not intended to turn more of our housing stock into commercial investments.

The proposed changes to this section would amount to allowing an <u>unlimited number</u> of STRs in residential neighborhoods and would destroy the whole intent of CCC 11.98.290 as stated in the Purpose section (CCC 11.88.290(1)).

It is unconscionable that the County would change a key element of the code that took years of effort and compromises to develop.

Proposed Changes to CCC 11.98.290(2)(B)(ii)(a) - Short-Term Rental Caps

The cap on STRs within the Manson UGA is proposed to change from nine percent to six percent. Additionally, a desire to revisit/reassess all cap numbers is noted and highlighted in the proposed code text. We have also heard that the Board of County Commissioners has actually proposed that the caps be entirely eliminated, which is hard to fathom.

To put it bluntly, we have a housing crisis in Chelan County. Our Valley Our Future conducted a regional housing survey in 2022. Over 1,500 people responded, two thirds of whom were Chelan County residents. About 90 percent of the residents who completed this survey cited housing availability and affordability as either an "extremely important" or an "important" issue for the community today. The County needs to take action to increase housing availability, not turn our existing housing units into STRs.



These cap numbers were negotiated at length during the initial promulgation of the STR code. Raising caps would eliminate a large part of the purpose of the code by further upsetting the balance between STRs and dwelling units available for residential use within residentially-zoned areas. During the code development process, there was reliance on studies that examined appropriate cap percentages that were unlikely to adversely affect housing affordability and even the existing caps are above those percentages.

In the marked up version of the code posted to the SEPA Register for this hearing, Chelan County Prosecuting Attorney Marcus Foster commented on the proposal to revisit/revise the STR density caps in this section of the code as follows:

This could create an issue in litigation. These numbers were negotiated at length. So far the only testimony to change caps I know of is Manson wanting to DECREASE their cap. Raising caps eliminates a large part of the purpose of the code

 RC_3 wholeheartedly agrees with Mr. Foster's comments and is deeply disturbed that the County would even consider creating this legal issue while destroying the intended purpose of the code. RC_3 is concerned about any wholesale effort to change these cap numbers and <u>would strenuously</u> object to any effort to increase or eliminate the cap values. We believe that Chelan County residents feel the same way and would vigorously protest any such changes.

We understand that the Board of County Commissioners has expressed that the nine percent cap for the Manson UGA (which is in addition to the six percent cap for the entire 98831 zip code) is somehow confusing. Although we don't understand the confusion, the proposed six percent cap for the Manson UGA has recently been supported by the Manson Community Council. RC₃ also supports this change.

Proposed Changes to CCC 11.98.290(2)(D)(i) - Minimum Lot Sizes

A minimum lot size of 10 acres for Tier 2 STRs is proposed to be added to the code. Given that the District Use Chart already allows Tier 2 STRs in AC zoning, but no minimum lot size for this zone is currently included in CCC 11.88.290, RC₃ has no objections to this proposed change to the code.

Proposed Changes to CCC 11.98.290(2)(E) - Existing STRs

We would like additional explanation about the extensive deletions of code language in this section. While we understand portions of this code are now obsolete, we would like assurances that all issues relating to the "grandfathered" STRs that were in operation prior to the adoption of this code have now been resolved.

Proposed Changes to CCC 11.98.290(3)(A)(ii)) – Primary or Accessory Residence

The following changes to this section of the code are proposed:



(ii) A short-term rental owner may operate only one short-term rental per parcel as designated on their permit application form, which may be in either the primary dwelling or the accessory dwelling unit but not both. The property owner (which includes title holders, corporate officers, and contract purchasers) shall occupy either the primary unit or the accessory unit as their permanent residence if property is permitted and used as a short-term rental. In the case a corporate entity owns the property, at least one principle officer must be a permanent resident of the property. Proof of residence includes, but is not limited to, government issued identification, utility bills, or other proof satisfactory to the Director. If the short-term rental occurs in a multifamily dwelling the same owner may not rent more than one unit in the development.

Since this section of the code applies to "All Short-Term Rentals", it is unclear why a requirement that the owner occupy either the primary unit or the accessory unit is being suggested. It is our understanding that the requirement for an owner to be onsite does not apply to Tier 2 or Tier 3 STRs, even if there is a second dwelling unit. The entire (3)(A) subsection applies to ownership and dwelling unit use as an STR, not owner occupancy.

RC₃ suggests that this addition makes no sense and should be removed or modified.

Proposed Changes to CCC 11.98.290(3)(B) - Short-Term Rental Occupancy Limits

The proposal to exclude children under 24 months of age from the occupancy limits is unacceptable.

The first reason is a legal issue. Many of the STRs in the county are on septic systems. Such systems are carefully designed to accommodate expected wastewater discharge based on occupancy and estimates of wastewater that is generated on a per person basis. The occupancy is determined by assuming two persons per bedroom. The discharge amount is assumed to be an average of 45 gallons per day per person and the resulting total is multiplied by 1.33 to account for surge capacity when the average daily flows may be exceeded.

Average daily flow includes the wastewater generating activities in a building. These activities typically include toilet flushing, showering and bathing, clothes washing and dishwashing, use of faucets, and other miscellaneous uses.

To exclude children under 24 months means that one has to assume that there is no wastewater generated by children. This is obviously a false assumption. Moreover, nowhere in the State regulations governing onsite sewage systems (Chapter 246-272A WAC) are children under two excluded from the calculation of occupancy and wastewater discharge for a residential structure.

If the County were to exclude children under two, the design capacity of septic systems could be exceeded on a regular basis leading to failing systems.

The second reason for objecting to the exclusion of children under two is that the result will be higher numbers of older children and adults in all STR tiers. Families and groups of renters tend to maximize the occupancy of STRs so that the per person cost is less. As it is, the occupancies



in all Tiers greatly exceed the average occupancy of a typical single family home which is 2.55 people. The higher occupancy will put greater stress on septic systems and it uses up capacity in areas serviced by sewer. High occupancies will result in more visitors in residential neighborhoods and increase the risk of parking overflow, more noise, etc. The caps on occupancy were negotiated by the STR Task Force and should not be changed.

In sum, we believe there is no justification for exempting children under two from the occupancy limits.

Proposed Changes to CCC 11.98.290(3)(O) - Payment of Taxes

The following changes to this section of the code are proposed:

(O) Taxes. The owner or operator must comply with Chapter 6.30, and other local sales taxes and state hotel/motel/lodging and sales taxes in accordance with the Department of Revenue. Proof of paid sales tax and lodging tax must be provided annually at time of renewal.

RC₃ agrees that this is a reasonable change and that STR owners should be able to provide documentation indicating that these taxes have been paid based on the method of payment used and/or income tax returns.

Proposed Changes to CCC 11.98.290(4)(B)(iv)(b) - Permit Renewal Applications

The following changes to this section of the code are proposed:

(b) Permit renewal applications received after December 31st will not be accepted, and the short-term rental operating without obtaining a renewal must immediately cease operations on by January 1st of the following year. The owner and property lose any vesting to continue operation as a legally conforming or nonconforming short-term rental under this chapter. Expired short-term rentals under this subsection are then subject to the housing cap provisions of subsection (2)(B) of this section and must apply as a new short-term rental if all other provisions of this section allow, and consistent with the applicable district use chart.

The strikeout portion of these proposed changes near the end of the paragraph leaves a grammatically incorrect sentence. It is not clear why this text needs changing in the first place, but as long as the intent is retained, RC₃ has no objections to changes aimed at clarification or simplification.

Closing

As the Planning Commission is aware, a great deal of thought, effort, and compromise went into the development of CCC 11.98.290 in the years leading up to its promulgation in mid-2021. Clean-up of the code to clarify and provide further detail based on its implementation over the past few years, as well as removal of now-irrelevant portions of the code, is completely



appropriate. However, changes to the code affecting the actual structure and restrictiveness of the code should only be undertaken to correct verified flaws in its effectiveness. As noted in the comments herein, RC₃ strongly objects to any proposed changes that reduce the protections which the code provides to residents and neighborhoods, and to changes which would weaken the intended protections, as stated in the Purpose section (CCC 11.88.290(1)); e.g.:

Where excess rental units exist in residential communities, it has been shown to be detrimental to the affordable residential housing inventory and adversely affect the residential character of those neighborhoods.

and

The provisions of this chapter are necessary to promote the public health and safety by protecting year-round residents' enjoyment of their homes and neighborhoods by minimizing the nuisance impact of short-term rentals on adjacent residences and by minimizing the detrimental impact of excessive short-term rentals on the affordable housing supply.

Thanks for your serious consideration of our comments. Please contact us with any questions at info@coalitionofchelancounty.org.

Sincerely,

Board of Directors Residents Coalition of Chelan County (RC₃)

cc: Deanna Walter - Director, Chelan County Community Development

August 27, 2024

Short Term Rental Alliance of Chelan County PO Box 321 Leavenworth, WA 98826 Info@straccwa.org

Comments for the Chelan County Planning Commission Meeting Aug 28, 2024

Dear Commissioners,

The Short Term Rental Alliance of Chelan County (STRACC) appreciates the opportunity to comment on the revisions to the STR code that are currently under consideration. Below, we briefly summarize our perspectives on several issues in the code, and we look forward to engaging further as this process proceeds.

Excluding infants under 24 months from two-per-bedroom occupancy limit.

STRACC welcomes this proposed change, which would make Chelan County's code more consistent with that of peer jurisdictions and with the practices of leading booking platforms. Booking platforms including Airbnb do not count infants under 24 months as guests at the time of booking. As such, STR operators in Chelan County are placed in an awkward position of cancelling reservations, issuing refunds, and forcing guests to rebook elsewhere upon learning that a guest made a reservation that includes infants under 24 months. There is no evidence that this industry-standard practice of omitting infants from guest limits has caused problems with noise, parking, or septic systems in peer jurisdictions.

Changing Tier 1 to include a manager or operator on site.

This change would increase opportunities to develop parcels with a long-term renter in one unit serving as an on-site manager for an STR, incentivizing more rental housing development and allowing for creative arrangements for on-site managers to defray their rent costs.

Language in 3(A)(ii) on page 29 of the PC's August 28 packet seems to require owner to live on site, which contradicts earlier language opening up Tier 1's to include owners, managers, and operators on site. It may be intended to apply only to parcels with multiple dwelling units, but could be interpreted to apply to any parcel. The intention of this passage should be clarified.

Replacing self-certification with mandatory annual inspections.

STRACC opposes this change, which will impose significant time and monetary costs on owners with little benefit. There is no evidence that there is currently a problem with false reporting or safety issues. Homeowners, STR operators, and insurance companies are well aware of liabilities and are adequately incentivized to address issues in self-certification.

Requiring proof of paying sales tax and lodging tax annually at time of renewal.

STRACC believes this change is unlikely to achieve any real benefit, but it is going to imposes compliance costs on operators. Most STR bookings are made through platforms such as VRBO and Airbnb, which collect and remit sales and lodging taxes on behalf of operators. Larger property management companies also take direct bookings, and are already required by state law to pay all applicable taxes. Requiring documentation of taxes paid will force owners to compile documentation from across multiple platforms, but is unlikely to increase tax collections. The Department of Revenue is competent to ensure collection of sales and lodging taxes, and enforcement is best left to them.

Changes to parking rules.

STRACC welcomes the removal of the requirement that parking not be located in a setback. This change will hold STRs to the same standards as other home owners in this regard.

STRACC is concerned that the language defining "vehicles" may be too broad as written. It could be interpreted to count a truck towing a trailer with two personal watercraft on it as 4 vehicles.

STRACC encourages allowing property managers to establish site-specific parking limits, and to clearly communicate these to guests. A single vehicle can easily accommodate 4 or even 6 guests. The requirement of one parking space per two guests encourages additional traffic on highways and roads in our county.

Replacing discretionary hardship exemption for late permit renewal applications with progressive late fees and delayed issuance.

This is a reasonable proposal that STRACC believes would be better than the status quo for both owners and CD staff.

Changing cap percentages.

STRACC recognizes that a cap on STRs was central to the Task Force agreement. However, it has become clear that STRs are not uniformly distributed around the county. STRACC recommends applying a 6% cap at the county level, rather than separately within ZIP codes and subareas. Under such a system, only the countywide STR percentage would be used to determine whether new STR permits can be issued.

If ZIP code and subarea caps are retained, STRACC recommends increasing the caps in the Leavenworth ZIP code to 9% in return for reducing the Manson cap from 9% to 6%. This would bring the Leavenworth area cap into line with current STR counts, which represent more than a 60% reduction from 2020 levels.

Signage Rules

STRACC believes the requirements for signs to be permanent, weatherproof, and reflective to be excessive. Most STR operators have spent hundreds of dollars per property on new signs since the code was adopted. Changing the requirements now will require them to spend even more to replace functional signs.

Additional Land Use Permits

4(C)(i) on p. 37 states that operating an STR requires an STR permit "and, in some cases, an additional land use permit." It is not clear what additional permits this is referring to. STRACC would like to better understand the implications of this language for STR operators.

Cleaning up language relating to existing nonconforming STRs.

STRACC appreciates the effort to clean up the code by removing sections that are no longer relevant. However, before this is done, we would like to ensure that removal of this language cannot be later construed to remove the right to continued operation for existing nonconforming STRs that were in operations before the original code was adopted.

Thank you for your consideration.

Board of Directors Short Term Rental Alliance of Chelan County From: Mark Kirshner <markkirshner@windermere.com>

Sent: Tuesday, August 27, 2024 11:51 AM

To: Tiffany Gering <Tiffany.Gering@CO.CHELAN.WA.US>

Subject: RE: STR Regulations

External Email Warning! This email originated from outside of Chelan County.

Good morning Tiffany,

Thank you for sending this my way. I read through it and I like a lot of the changes. I don't see any changes that would materially change our situation. Under the renewel section of this proposal, I would like to add the following verbiage:

annually by October 31st of the preceding year.

(a) At their discretion the director may, upon showing of a hardship reason for applicant's delay, accept permit renewal applications received after October 31st but before December 31st of the same year and may assess double the normal fees for permitting, Annual renewal applications will be considered on time if received between September 1 – October 31 each year. Renewal applications received between November 1 – November 30 will be considered late, and will pay a late fee of \$--- in addition to the renewal fee. Renewal applications received between December 1 – December 31 will be considered late, and will pay a late fee of \$--- in addition to the renewal fee. Late renewals will be processed, but provided the short-term rental may not continue operation past December 31st until the permit application is approved and a permit issued, and renewal approval is not guaranteed. This applies to all permit tier levels.

Upon adoption of this change, the Planning Director shall notify, within 60 days, previous STR permit holders who lost eligibility for a renewal because of their late submission, that they may re-apply for an STR permit under the framework of this change of regulation. The applicant is responsible to meet all other requirements of the STR code.

Mark Kirshner

Managing Broker Windermere Real Estate/M2 LLC 9502 19th Ave SE Everett, WA 98208 Cell: (425) 737-4663 Office: (425) 338-0600



Cindy Wright

From:

innkeeper@cashmeremountainbandb.com

Sent:

Sunday, August 25, 2024 11:38 AM

To:

CD Comment

Subject:

Regulation Change Meeting

External Email Warning! This email originated from outside of Chelan County.

I am sending this email with regard to the upcoming meeting on August 28th to address changes to the current STR regulations.

I am opposed to any changes in the STR code that would result in an increase in the number of STRs in the County.

Hours and hours were spent on adopting the current regulations with many concessions made on both sides that have been working very well, so why would we feel the need to go over this again!

I am opposed to any change in the 6% cap on the number of STRs.

More homes are now open for locals to purchase, prices of homes have steadied and people have been able to enjoy their own neighborhoods and actually have neighbors that are local and live in the community. A vacation rental next to us sold due to the regulations and we have finally got our neighborhood/community back enjoying each other, the quiet etc that goes along with living in a community with locals and not mostly vacation rentals.

We have friends that were forced to sell their home moving to Wenatchee a few years prior to the new regulations going into effect because their neighborhood off Icicle Rd was primarily vacation rentals making it miserable to live there with all of the noise, renters parking and driving on their property constantly and even having an illegal bonfire in the backyard next door in August among all of the trees the line properties. They even purchased sound proof windows to help. It went on and on. They were constantly policing renters and couldn't take it anymore!

We talked to another friend that had all vacation rentals surrounding his home on East Leavenworth Road just the other day. He was thrilled that finally enforcement has shut those down with all of the cars coming and going at all hours of the night along with noise and partiers, garbage all over the side of the road, etc. Three of the houses completely ignored the regulations and only recently have been shut down! This is the attitude of some of these owners!

I am also opposed to changing the rule which requires Tier 1 rentals to be owner occupied!! This would allow investors to buy up even more homes in the county that would <u>not</u> be managed by the owners living on the property. When owners live on the property, it eliminates noise and other abuses by vacation renters. I own Cashmere Mountain Bed & Breakfast. Clearly having us on the property monitoring our guests helps our quiet neighborhood community off North Road. When we had a non owner occupied vacation rental next door, cars were speeding up and down our road and up our private single lane road with blind corners making it dangerous for all of us especially with small children at play.

I am opposed to excluding anyone from the head count. The number of people at the vacation rental should include all ages. Who will regulate if a child is actually two and under allowing more people at the rental that could be older?

Please keep the regulations that are now in place. They work and there is no reason to change something that is working great for our county! Why would the county go backwards when cities and towns all over the world (Barcelona recently) are placing strong regulations on short term rentals to take back their communities.

Thank you for your consideration,

Rochelle Shugrue 10300 Suncrest Drive Leavenworth, WA 98826 509-548-2382

Cindy Wright

From:

Barbara Rossing

Str.edu>
Monday, August 26, 2024 9:36 AM

Sent: To:

CD Comment

Subject:

Oppose changes to Short Term Rental Code

External Email Warning! This email originated from outside of Chelan County.

Dear Planning Commission and Commissioners

I am so disheartened to hear that changes are again being proposed to the Short Term Rental Code. It's like the movie Groundhog Day: we had these exact same debates 3 years ago!

STR businesses and organizations keep trying the same tactics to erode the Code's protections, over and over, in order to make more money-- at the expense of residents.

Here is the history, as you recall:

The current 2021 Code was a compromise arrived at after much debate, for two years, including many trade-offs that favored STRs.

The 6 % percent cap was a trade-off in exchange for grandfathering most existing rentals. That is the reason we have so many STRs in the Leavenworth zone-- they were most all grandfathered in!

The rule including all infants and children in the occupancy limits was agreed on in a bitter trade-off for occupancy limits higher than residents favored. (Tier 1 limit of 8 renters was higher than we wanted.)

The absence of a cap for Tier 1's (they are not subject to the 6% density cap, so we have seen a proliferation of Tier 1's in neighborhoods that exceed the 6% cap) was a trade-off for **owner being required to live on site**, in residence, during any rental.

Please do not change the Code!

- 1. I oppose any changes in the STR code that would result in an increase in the number of STRs in residential zones where the 6% cap has been exceeded. Leavenworth, Chelan, Plain, and Manson have enough STRs already-- in fact, too many, because of the grandfathered STRs that increase our percentages far above the 6%. Commercial Zones, which do not have a cap, is where more STRs belong, since they are commercial businesses. Residential zones are for residents. We already have a housing crisis. More STRs will only make the housing crisis worse for residents and our children. Already, unlimited numbers of Tier 1's are being built... But at least there is a density cap on Tiers 2 and 3.
- 2. Do not change the 6% density cap. We need it. I hope we will go down to that percentage within my lifetime, but that would mean developers need to build more housing for long-term residents. A dream!
- 3. Do not change the rule which requires Tier 1 rentals to be **owner** -occupied. The purpose of the Tier 1 classification was to allow homeowners to rent out an a mother-in-law apartment or ADU so that they could earn modest additional income to help them to afford their homes. It was not intended to allow investors to buy up more homes in Chelan County. Already we have too many Tier 1's where the owner supposedly lives in the ADU and rents out the larger house as an STR. But at least the owner must reside on site, in their own HOME. That rule is crucial. Otherwise we will many more see absentee-owner Tier 1's built as a way to evade the 6% cap!
- 4. Do not exclude children under two from the head count for occupancy limits. The current occupancy limits are already high. Why make any change that will result in even more children and adults in short term rentals? Is 16 persons plus infants and small children normal in a residential zone?-- NO. These STRs already make so much more noise than residents. Increasing occupancy limits by not counting young children would only make that noise worse.

Thankfully, things are better for neighbors since the new Code was adopted, but not perfect. For example, improvements include:

- The gigantic 8-bedroom STR "lodge" next to us can now only rent to 16, including children under age 2. (Before the Code, they advertised renting to 24!) We were sad the County allowed them a Tier 3 permit, since East Leavenworth Rd is not a "highway." But at least they can only rent to 16, and that number must include infants and children, no matter what age children.
- One of the Tier 2's across the street from us is still too noisy; but thankfully with the Code they are only allowed to rent to ONE large group, two noisy groups on separate floors of the duplex.
- The new Tier 1 house across the street rents to party groups that keep lights and noise at a much higher level than normal neighbors. But at least the owner is required to be on site during the parties.

Please do not succumb to pressure to change the Code in favor of STR owners or developers who want more and larger STRs. Let them build them in Commercial Zones, not residential zones.

The County should care about residents. Housing for residents is the primary purpose of residential zones. We have a housing crisis. Relaxing the Code would only make the housing crisis worse.

I am discouraged and disheartened that the County is proposing such drastic changes in an ordinance that the community fought so hard to put in place. Why go backwards now? Is it just for MONEY? Is it Groundhog Day?

Thank you,

Barbara Rossing, 7785 E. Leavenworth Rd

From:

The RPM Group <info@therpmgroup.net>

Sent:

Tuesday, August 27, 2024 11:28 AM

To:

CD Comment

Subject:

Planning Commission Comments

External Email Warning! This email originated from outside of Chelan County.

Chelan County Community Development,

I am writing to respectfully request your consideration in amending the current short-term rental occupancy code, specifically the provision that includes children under the age of two in the total occupancy count. While I fully support the County's efforts to regulate short-term rentals in order to maintain neighborhood tranquility and protect infrastructure, I believe this aspect of the code may not serve its intended purpose and could be revised for greater fairness and practicality.

Reason for Request

The current code, as written, applies the occupancy limit uniformly to all individuals, including infants and toddlers under two years old. This interpretation does not align with the primary concerns that the code was designed to address noise levels, unauthorized parking, and strain on septic systems. Allow me to elaborate:

- 1. Noise Control: Children under two years old, by nature, are not significant contributors to noise that would disturb neighbors. Their inclusion in the occupancy cap is unlikely to prevent or mitigate noise issues within a neighborhood.
- 2. Parking: Infants do not contribute to parking demands, as they do not require vehicles. The current code's inclusion of children under two in the occupancy count does not alleviate potential parking concerns.
- 3. Septic System Capacity: The waste generated by children under two is minimal compared to that of older children and adults. Their impact on septic systems is negligible and does not justify their inclusion in the occupancy count.

Proposed Amendment

To better align the code with its original intent, I propose that the county amend the short-term rental occupancy regulations to exclude children under the age of two from the total occupancy count. This change would maintain the integrity of the county's regulations while offering a more practical approach for families who wish to stay in our community.

Supporting Evidence

Many other jurisdictions have adopted similar provisions, recognizing that infants do not contribute significantly to the issues the regulations are designed to address. These amendments have been implemented successfully without negative consequences, providing a fair and balanced approach to occupancy limits.

Conclusion

Amending the code in this way will not only address the practical concerns mentioned above but also ensure that families with young children are not unfairly penalized when seeking to enjoy short-term

accommodations in our county. This change will help strike a balance between preserving community standards and allowing responsible use of short-term rentals.

Thank you for your time and consideration of this request. I am confident that this small but meaningful adjustment will benefit both the residents and visitors of our county.

Sincerely,

Sean Reid seanr@therpmgroup.net Web: www.VacayinWA.com

Direct - 509-906-1889 Mobile -206-300-2299



From:

Lehren < lehrenllc@gmail.com >

Sent:

Wednesday, August 28, 2024 12:08 AM

To:

CD Comment

Subject:

Regulatory updates on STR code

External Email Warning! This email originated from outside of Chelan County.

Dear Members of the Chelan County Planning Commission,

I am writing to respectfully urge you to reconsider the current and proposed regulations on short-term rentals (STRs) in Chelan County. While I understand the need for thoughtful regulation in our community, I believe that overly restrictive policies could lead to unintended consequences, including potential legal action from those affected. These restrictions not only undermine the rights of property owners but also put the county at risk of lawsuits, which could be both costly and time-consuming.

Restrictive policies have a history of sparking legal battles, especially when they disproportionately affect certain groups of property owners, such as those who rely on rental income. By limiting STRs, the county may inadvertently open itself up to claims that property rights are being unfairly curtailed. This can be particularly problematic when owners have made significant investments in their properties with the expectation that they could rent them out as part of their financial planning. Without offering reasonable alternatives or providing sufficient avenues for STR owners to remain in compliance, the county could face legal challenges that claim economic harm or property devaluation.

Additionally, short-term rentals play an essential role in supporting tourism in Chelan County, particularly in beloved towns like Leavenworth. Restricting STRs could have far-reaching economic consequences that extend beyond property owners, affecting local businesses, restaurants, and even tax revenues that rely on visitors who stay in these rentals. This is not a matter of one industry suffering; it is about the broader economic ecosystem of Chelan County, which has long been buoyed by the steady influx of tourists.

Leavenworth, Washington, is a prime example of how short-term rentals have enhanced the local economy while allowing visitors to experience the unique charm of the area. People flock to Leavenworth for its distinct Bavarian architecture, vibrant festivals, and scenic beauty. The town is more than just a destination—it offers an immersive cultural experience, where visitors can enjoy everything from authentic German cuisine to holiday markets and outdoor recreation. Short-term rentals provide an affordable and accessible option for families, couples, and tourists looking for a home-like setting where they can relax and fully engage with the area.

For many travelers, staying in a short-term rental is the preferred way to experience Leavenworth, offering an intimate connection with the community that traditional hotels cannot replicate. These rentals allow guests to be part of the town's unique culture, often nestled in charming neighborhoods that showcase the natural beauty of the region. Whether visiting for the annual Christmas Lighting Festival, Oktoberfest, or just to enjoy the majestic Cascade Mountains, short-term rentals offer flexibility and comfort that enhance the visitor experience.

Beyond its aesthetic and cultural draw, Leavenworth is a gateway to outdoor adventures like hiking, river rafting, skiing, and wine tasting in the nearby Wenatchee Valley. With such a diverse range of activities, visitors often seek out STRs for longer stays where they can enjoy both the festive town atmosphere and the surrounding wilderness. Limiting the availability of these accommodations could deter tourism, leading to a potential drop in visitor numbers and a subsequent decline in local business revenues. This would affect not only the property owners but also the community at large.

In closing, I urge the Planning Commission to carefully evaluate the long-term effects of its policies on short-term rentals. While regulation is necessary, it must be balanced to protect both the rights of property owners and the vibrancy of Chelan County's tourism-driven economy. Overly restrictive measures could result in legal challenges and harm to the local economy—outcomes that I believe are avoidable with thoughtful reconsideration.

Thank you for your time and attention to this matter. I am confident that with a balanced approach, we can preserve the unique character of Leavenworth and Chelan County while ensuring that our local economy remains strong and inclusive for all.

Sincerely,

Kelly Ambrosian

From:

Anika Ryka <anikaryka@gmail.com>

Sent:

Wednesday, August 28, 2024 12:34 AM

To:

CD Comment

Subject:

Letter from Jackson on 6% cap and county discrimination

External Email Warning! This email originated from outside of Chelan County.

To Planning Commissioners,

It has become abundantly clear that the current short-term rental (STR) regulations in Chelan County are not only overly restrictive, but they are actively harming property owners, local businesses, and the very economy that tourism has long supported. The burdensome and rigid rules, including the arbitrary 6% cap by zip code, have resulted in unnecessary limitations on property owners' rights, while other residents who contribute far greater strain to local infrastructure are not held to the same standard. This disparity is both unjust and unacceptable.

The 6% cap per zip code is a blunt instrument that punishes responsible property owners and stifles the tourism industry. Tourism is one of the cornerstones of Chelan County's economy, and short-term rentals are a crucial part of that industry. Why is the county imposing arbitrary limits on a vital economic driver? This cap is choking local growth and causing harm to small businesses that depend on the steady influx of tourists. Furthermore, the cap completely disregards the fact that different areas within the same zip code have drastically different needs and tourism demands.

Additionally, your current enforcement practices regarding septic limitations for STRs are hypocritical at best and discriminatory at worst. Short-term rental owners are being unfairly targeted for occupancy limits based on septic system capacity, while full-time residents and long-term renters regularly exceed those same limits without any enforcement. How is it fair to penalize property owners who rent to short-term quests for a few days, while year-round residents or long-term renters—who place a far greater strain on septic systems—go completely unchecked? The double standard is glaring and must be addressed.

On top of this, the county's decision to hire significant code enforcement personnel and deploy an online surveillance agency to "spy" on STR owners is nothing short of government overreach. It's an affront to personal privacy and property rights, creating a hostile environment where property owners are unfairly surveilled and penalized. The level of enforcement being applied to STRs is disproportionate and extreme, bordering on harassment. It is offensive that the county has chosen to treat STR owners as though they are criminals when they are simply trying to participate in the local economy.

The message is clear: Chelan County is unfairly targeting STR owners while ignoring other residents who are doing more harm to local infrastructure. This treatment is not only harmful but utterly unjust. It is time for Chelan County to

wake up and recognize that these regulations are causing more damage than good. The current code must be overhauled immediately.

I demand that the 6% cap by zip code be removed, and that enforcement of septic limits be applied equally across all homeowners—both STR and non-STR. Furthermore, the county needs to reduce its reliance on invasive surveillance practices and overbearing code enforcement. The path you are on will result in likely more lawsuits if Chelan County continues to treat STR owners as scapegoats for every community issue.

I strongly urge you to take immediate action to reduce these harmful regulations before more damage is done to property owners and the local economy.

Form:

Jackson & Anika Ryka

From:

Joni Fisher < jonimfisher@msn.com>

Sent:

Wednesday, August 28, 2024 11:09 AM

To:

CD Comment

Subject: STR Comments

External Email Warning! This email originated from outside of Chelan County.

Hello Commissioners,

I would like to send in a couple comments on the proposed STR Code changes.

- 1. Not counting kids 2 and under would be a huge improvement.
 - a. One to align with most other jurisdictions and platforms
 - b. More importantly, families are the best renters. Asleep early, no wild parties. I love to see the multigenerational renters, it's a great memory making experience, introduces kids to the wonders of Chelan County and are the best repeat customers.
- 2. Allowing "Renter/Care Taker" to manager Tier 1's would be a huge benefit to Chelan County tourism and affordable housing, just think if some of the current ADU's and potentially new ADU's could be renter to local residents at a discounted rate, Win Win. The current rule is just meant to make it harder to have an STR, this is a win for RUN but isn't a win for most of the residents of Chelan County.
- 3. Is there an issue with the current signage requirements we are trying to solve here or just add another burden? Do we really need glowing permanent signs on our homes, this is intrusive to the neighborhood appeal and neighbors. We aren't trying to make the neighborhoods look or feel like commercial zones, why does the county want or need this? This shouldn't be any more of a safety issue for fire, 911 then any other residence.
- 4. STR's and Resident homes should be treated equally in the rules for parking... these parking rules were just used as another way to shut down some STR's. Not due to actually issues or fairly enforcing these requirements for all.
- 5. Why are we revisiting the Manson UGA percentage, with the 200FT limit, Manson is unlikely to hit the 9% limit. It was negotiated and agreed to by the representative from the Mason Community counsel. We can also clearly see by the current percentages in the UGA, this 9% caps is not causing an issue or explosion in STR's.
- 6. Why is this needed, have there been issues? Eliminates self-certification checklist and instead requires annual inspections for "life-safety and applicable short-term rental or conditional land use permit standards." No evidence there's a problem with false reporting or safety issues, but there will be a lot of headaches, money and time for owners, CD and the fire marshal to deal with scheduling and reporting inspections. Likely an additional inspection fee to be added to already-increasing permit fees
- 7. This is nearly impossible for an STR to do, most of the homes are on sites that collect and pay the taxes on our behalf. We have already tried this and determined this is not feasible. There could be a few bad actor's out there but there is slim minority. Contrary to popular belief most STR owners do Love and Care about Chelan County and do the right/legal thing.
- 8. Replaces discretionary hardship exemption for late permit renewal applications with late fees (amount TBD), and no commitment to process them on time: This 100% should be changed, having one person get to decided what is and isn't a hard ship, and a person who is anti-STR is not a good process. Fine the late renewals with double permit fee fine and they will be on time the next year. There should be some commitment on processing the renewals, CD must have some guidelines spelled out in this, or they are let them linger indefinitely. Arbitrary decisions should not be allowed.

- 9. Please don't change the transfer requirements to include changes required due to divorce or death of one or both owners. Sure if the house is sold, that makes since but this is just trying to make it more difficult for the current owners.
- 10. Although not listed... requiring a land line in all STR's is antiquated technology and not really solving any safety issues. If a home doesn't have cell service maybe they should be required but 90+ % of the house do have cell coverage. This has just been a big when for Local Tel, other providers and tax authorities. There are pretty high taxes on a land line. My phone has cost me 1K so far in two years, has rang 5 times and appears to have had 10 out going calls.

Sincerely, Joni Fisher

From:

Residents Coalition of Chelan County <info@coalitionofchelancounty.org>

Sent:

Friday, August 23, 2024 12:03 PM

To:

CD Comment

Cc:

Deanna C. Walter; Kirsten Ryles

Subject:

Comments on Proposed Changes to Short Term Rental Code

Attachments:

RC3 Letter to PC for Aug 28 Hearing (8_23_24).pdf

External Email Warning! This email originated from outside of Chelan County.

Dear Planning Commissioners,

Our comments on the proposed changes to Section 11.88.290 – Short Term Rental Code are attached.

Sincerely,

Board of Directors

Residents Coalition of Chelan County (RC3)

From:

Barbee Teasley <beeteasley@gmail.com>

Sent:

Friday, August 23, 2024 1:02 PM

To:

CD Comment

Subject:

STR Code

External Email Warning! This email originated from outside of Chelan County.

Planning Commission -

Who were you elected to represent? The 90% of the STR owners who don't even live in Chelan county, or those of us who do live here? The idea that changes to the STR policy are even up for review so soon after the last go round is preposterous. the Residents have spoken and worked to achieve a compromise. And now it's open up for revision again?!

- We need a decrease in the number of STRs, not an increase. Make policies that support that goal
- Make sure Tier 1 rentals continue to require an owner in place. AN OWNER THAT LIVES HERE
- How can babies suddenly NOT be people? Don't they use water, take space, use the septic systems etc etc just like any human? What a shameless scam.

It IS possible to go too far in bringing in tourists. I offer you this article as proof.



'The Demand Is Unstoppable': Can Barcelona Survive Mass Tourism? (Gift Article) nytimes.com

Let's keep Chelan County Commissioners serving the actual citizens of our county, and not the STR owners whose only goal is making more money that does not stay in the county.

Barbee Teasley 9510 Eagle Creek Rd Leavenworth, WA 98826 509-881-7674

From:

Mimi Reid <mimi@2reids.com>

Sent:

Friday, August 23, 2024 1:19 PM

To:

CD Comment

Subject:

Chelan County STR proposed changes

External Email Warning! This email originated from outside of Chelan County.

Dear County Commissioner,

1. I am opposed to any changes in the STR code that would result in an increase in the number of STRs in the County. Let them know that we have a housing crisis and that our housing stock must be preserved for the residents who need homes.

2. I am opposed to any change in the 6% cap on the number of STRs.

3. I am opposed to changing the rule which requires Tier 1 rentals to be owner occupied. The purpose of the Tier 1 classification was to allow homeowners to rent out an accessory dwelling unit or basement apartment so that they could realize some additional income to help them to afford their homes. It was not intended to allow investors to buy up more homes in Chelan County.

4. I am opposed to excluding children under two from the head count for occupancy limits. This change will result

in more older children and adults in short term rentals.

Please keep the STRs as they are for local residents.

Thank you,

Mimi Reid 17751 N Shore Dr. Leavenworth, WA

From:

Inmusick@gmail.com

Sent:

Friday, August 23, 2024 1:49 PM

To:

CD Comment

Subject:

STR changes

External Email Warning! This email originated from outside of Chelan County.

To whom it may concern,

My name is Lauren Musick and I have been a resident of Leavenworth for the past 12 years. We've chosen to start a family here and are frustrated to hear about the proposed short term rental changes. We are already facing a housing crisis for our local community and these changes put long term rentals and the housing supply in general at risk. We need homes for people who live and work in our community like teachers, nurses, and firefighters.

There should be no change on the 6% cap for STRs. Additionally eliminating the on site homeowner requirement for tier one rentals is only going to lead to more properties becoming STRs and taking valuable housing away from our local community. We want to raise our son in community full of people who can live and work here, not not a community destroyed by over tourism. Please support our local community and do not change the current short term rental code.

Thanks, Lauren Musick 211 Cherry st, Leavenworth

Sent from my iPhone

From:

Sandra Phenning <sandra.phenning@gmail.com>

Sent:

Friday, August 23, 2024 1:50 PM

To:

CD Comment

Subject:

Proposed STR Changes

External Email Warning! This email originated from outside of Chelan County.

Dear Chelan County Planning Commission,

We live in the midst of many STR's. We have voiced concerns and supported the changes that were made in 2021. Those changes improved many of the ongoing noise, trash, and trespassing issues we have with STR's. But did not eliminate them.

We oppose any relaxing of those codes, as there are still issues with having STR's in our residential area. We continue to have trash pulled onto our property by bears when STR guests do not secure their garbage. We have people walking through our property to take advantage of better views or sledding hills than where they rented. We have late night noise issues not always solved by calling the property manager. Several of the STR's still don't have signs with the manager's number. We have requested the required sign from both the property managers and filed complaints with Code Enforcement, but still no sign.

We also have adult children that have been unable to find housing, either a rental or home to purchase, because the extreme profitability of STR's has priced young families right out of the market. They cannot compete with commercial income property prices/rents.

The newly instituted cap is important and should NOT be adjusted down. With it, we may have finally have a chance to reestablish a more residential neighborhood in many of our local areas.

The biggest change we always see in an STR is when the owners are onsite. The guests are always so much better behaved and any problems are easy to fix when we are dealing with a neighbor, not an investor or property management firm. I wish ALL tiers had that requirement.

Finally, we have had problems with STR's when they do not count small children in the capacity. Often, they will cram a home with young families, stash the kids at the house with a sitter, and the adults go out. This has the double whammy of kids running amuck in the area and inebriated parents noisily arriving back in the wee hours of the morning.

Please continue to listen and consider the communities, neighborhoods, and individuals impacted by the business of STR's dropped in our midst.

Thank you, Sandra Phenning

The most difficult thing is the decision to act; the rest is merely tenacity.

—Amelia Earhart

From:

Elizabeth McIndoe <mcindoeeliz14@gmail.com>

Sent:

Friday, August 23, 2024 2:22 PM

To:

CD Comment

Subject:

STRs in Chelan County

External Email Warning! This email originated from outside of Chelan County.

I am writing to vehemently oppose any changes to the STR code now in place in Chelan County.

This code was adopted, finally, after a hard fought campaign, following the rules set for such changes in the county, and after many hours of debate, conversation and tedious work from those close to the process. The communities spoke of their fears, the lack of housing for those that work hard to be here, the degeneration of local neighborhoods where our children grow up, and the residents demanded that commercial tourist lodging be kept in commercial districts.

I am opposed to any changes in the STR code that would result in an increase in the number of STRs in the County. Let them know that we have a housing crisis and that our housing stock must be preserved for the residents who need homes.

I am opposed to any change in the 6% cap on the number of STRs.

I am opposed to changing the rule which requires Tier 1 rentals to be owner occupied. The purpose of the Tier 1 classification was to allow homeowners to rent out an accessory dwelling unit or basement apartment so that they could realize some additional income to help them to afford their homes. It was not intended to allow investors to buy up more homes in Chelan County.

I am opposed to excluding children under two from the head count for occupancy limits. This change will result in more older children and adults in short term rentals.

Please LISTEN to your constituents and residents. The quality of life for all is at stake.

Betsy McIndoe Chelan County resident

From: Jenny Copson < jennycopson@hotmail.com>

Sent: Friday, August 23, 2024 2:25 PM

To: CD Comment

Subject: No STR codes revisions!

External Email Warning | This email originated from outside of Chelan County.

To whom it may concern,

I oppose any modifications to the STR code that would lead to an increase in short-term rentals (STRs) within the County. Given our housing crisis, it's crucial to preserve our housing stock for residents in need of homes. I am against altering the 6% cap on STRs and am also against the amendment that would no longer require Tier 1 rentals to be owner-occupied. The Tier 1 category was designed to enable homeowners to earn additional income by renting out accessory units or basement apartments, aiding them in affording their homes, not for investors to acquire more properties in Chelan County. Additionally, I oppose the proposal to not include children under two in the occupancy count, as this could lead to an increase in the number of older children and adults staying in short-term rentals.

Do not revised the STR codes! Chelan county is a special place, please protect it and help us keep our amazing communities intact.

Thanks,

Jennifer Copson (Leavenworth fulltime resident)

From:

Gary Phenning <im4leroy@gmail.com>

Sent:

Friday, August 23, 2024 2:48 PM

To: Subject: CD Comment Short Term Rental

External Email Warning! This email originated from outside of Chelan County.

In 2021 after a long and contentious struggle, specific codes were finally established for STRs. It is my understanding that now there are revisions that loosen the restrictions for STRs being considered. I am opposed to any increase in the number of STRs in this county. In the Leavenworth area we have many STRs already that frequently operate in violation of these codes. Reporting STR violations to the county results in no response at the violating site and the county office saying they don't have the manpower to enforce these reports. Fix the county infrastructure first and let those with the STRs pay for it.

Increasing the 6% cap is a horrible idea. With the current cap in place neighborhoods are already diluted where many of the homes are not full time residents who have no vested interest in keeping a neighborhood up. They do the bare minimum to only facilitate the next rental. You need only to look at other tourist-based towns that have let the STR volume go unchecked to see the negative results. Do not let investors push the idea that it won't be like that here. It will.

When you live in neighborhoods with Tier 1 STRs, they are the only ones with a vested interest in helping maintain a neighborhood. That is only due to the fact that the owner is living on site and available to monitor renters and maintain upkeep. I am for letting homeowners rent out space in **their** homes that they live in for their personal income but am opposed to removing the owner occupied requirement.

Leave the occupancy limits as they are. Children are people and should not be excluded in the occupancy limits even if they are under the age of two.

Thank you

Gary Phenning Leavenworth

From:

paul zuleta <pzexperience@gmail.com>

Sent:

Friday, August 23, 2024 2:55 PM

To:

CD Comment

Subject:

STR rules

External Email Warning! This email originated from outside of Chelan County.

Hi there,

I strongly feel there should be a friends and family exemption for STRs. We want to share our place with close friends and family. Doing so thru a short term rental platform provides a lot of benefits.

Please add friends and family exemption.

Thank you,

Chelan County Homeowner Paul

From:

Patty <pattymmhebert@gmail.com>

Sent:

Friday, August 23, 2024 3:14 PM

To:

CD Comment

Subject:

Oppose STR PROPOSED changes

External Email Warning! This email originated from outside of Chelan County.

As a Chelan county resident impacted by illegal STRs, I'm against any proposed changes that would result in an increase in the number of STRs in the County. Concerned citizens spent countless hours proving the need for these regulations to protect the quality of Chelan Co neighborhoods. We have a housing crisis and our housing stock must be preserved for the residents who need homes. I'm opposed to any change in the 6% cap on the number of STRs.

I'm opposed to changing the rule which requires Tier 1 rentals to be owner occupied. The purpose of the Tier 1 classification was to allow homeowners to rent out an accessory dwelling unit or basement apartment so that they could realize some additional income to help them to afford their homes. It was not intended to allow investors to buy up more homes in Chelan County.

I'm opposed to excluding children under two from the head count for occupancy limits. This change will result in more older children and adults in short term rentals. Please do-not end run the process that we faithfully adhered to let profiteers sacrifice our communities for financial gain. Respectfully, Patricia Hebert 542 Dempsey Rd, Leavenworth WA. Cell # 425-765-6729

From:

Susan Dodge <susandodge46@gmail.com>

Sent:

Friday, August 23, 2024 3:23 PM

To:

CD Comment

Subject:

STR

External Email Warning! This email originated from outside of Chelan County.

I am a resident of Chelan County and live on Mountain Home Road. I am 100% TOTALLY AGAINST changing the current STR codes!!! I have lived here since 1987 and have watched the many changes that have taken place in our County. It took a long time and a great deal of effort to draw up and pass the current codes (that haven't been in effect for very long) and now changes are being proposed??????? NO!

Susan Dodge

From:

Laila Sharpe <laila.sharpe@gmail.com>

Sent:

Friday, August 23, 2024 4:49 PM

To: Subject: CD Comment STR ordinance

External Email Warning! This email originated from outside of Chelan County.

Dear Planning Commission,

We are opposed to making changes to the STR codes that were so earnestly worked for on behalf of our community. When we bought our home in Leavenworth there was one STR next door that we soon discovered was the "party house" with owners who live on the west side and are never around. Now we have four STRs around us and it diminishes the sense of neighborhood and community. It also becomes challenging for long term renters in need of housing. We're losing our sense of neighborhood due to monetary greed, often to those who aren't even part of the community. It's bad enough as it is, so PLEASE do not change the 6% cap or requirement for owner occupied rentals. Let's live in peace.

Thank you, Laila Sharpe

Sent from my iPhone

From:

jeff jeffconwell.com < jeff@jeffconwell.com>

Sent:

Friday, August 23, 2024 5:22 PM

To: Subject: CD Comment STR Code Changes

External Email Warning! This email originated from outside of Chelan County.

Members of The Chelan County Planning Commission-

I urge you in the strongest terms to remove STR opportunities in traditional neighborhoods where, without the thought or concern for the neighbors affected, these imposing businesses have been allowed to take root. Two have been operating in my neighborhood for several years now. This neighborhood was created when this concept wasn't an idea, therefore NOT allowing them was not considered as part of the language of our CC&R's. Adding that language now is virtually impossible. So the rest of neighborhood suffers.

My wife & I turned our home into an STR with no intentions of ever renting. We did so just to create the barrier and prevent those right next to us from turning into an STR. What a thing the county has allowed that so dramatically infringes on the original intent of a quiet residential community. It's crazy we would have to resort to this type of action to preserve our existence at a residence we built 25 years ago. It shouldn't be this way.

Further, I stand opposed to the following:

- 1. I am opposed to any changes in the STR code that would result in an increase in the number of STRs in the County. housing crisis and that our housing stock must be preserved for the residents who need homes.
- 2. I am opposed to any change in the 6% cap on the number of STRs.
- 3. I am opposed to changing the rule which requires Tier 1 rentals to be owner occupied. The purpose of the Tier 1 classification was to allow homeowners to rent out an accessory dwelling unit or basement apartment so that they could realize some additional income to help them to afford their homes. It was not intended to allow investors to buy up more homes in Chelan County.
- 4. I am opposed to excluding children under two from the head count for occupancy limits. This change will result in more older children and adults in short term rentals.

I'm for STRs in communities DESIGNED for the opportunity. Wapato Point Resort, The Look Out are great examples of that opportunity. Thrusting this on residential neighborhoods is just wrong.

Many communities are aggressively limiting short term rentals. I'm bewildered by the county's actions given our sever housing crises and the fact that the vast majority of these STRS are owned by NON-RESIDENTS.

Respectfully submitted,

Jeff Conwell Manson Resident 509-433-8300

From:

Ed Martinez <edmar1960@gmail.com>

Sent:

Friday, August 23, 2024 5:27 PM

To:

CD Comment

Subject:

Urgent: Preserve Chelan County's STR Code and Protect Our Community

External Email Warning! This email originated from outside of Chelan County.

Dear Chelan County Planning Commissioners,

I am writing to express my deep concern regarding the proposed changes to the Chelan County Short Term Rental (STR) code. As a resident who values the integrity and sustainability of our community, I urge you to reconsider these revisions that threaten our neighborhoods and housing availability.

The existing STR code, adopted in July 2021, was the result of extensive community involvement and significant investment of county resources. It provides essential controls on the location, number, and operation of STRs, ensuring that our residential areas remain vibrant and cohesive. The proposed changes, however, undermine these efforts and could have detrimental impacts on our community:

- **Removal of the 6% Cap**: Eliminating the cap on STRs would increase their presence in residential neighborhoods, exacerbating our housing crisis. It is crucial to preserve our housing stock for residents, not investors seeking to profit from our tourist economy.
- **Tier 1 Owner-Occupancy Requirement**: Allowing renters to manage Tier 1 STRs without owner occupancy diminishes neighborhood character and cohesion. Homeowners have a vested interest in maintaining community standards, which is not guaranteed with renter management.
- **Occupancy Count Exclusion for Children Under Two**: Excluding young children from occupancy limits could lead to overcrowding, as renters aim to maximize occupancy. This change could strain our neighborhoods and impact the quality of life for residents.

The county has already invested significant tax dollars in developing and implementing the current STR regulations. These rules were designed to balance the needs of residents with the economic benefits of tourism. Altering them now would not only waste these resources but also jeopardize the stability and future of our community.

I strongly oppose any changes that would increase the number of STRs, after the 6% cap, or weaken the owner-occupancy requirement for Tier 1 rentals. I urge you to prioritize the needs of Chelan County residents and maintain the existing STR code.

Thank you for considering my concerns.

Sincerely, Ed. Martinez 17055 N Shore Dr. Leavenworth, WA 98826

Ph. 425 457 6266

From:

Todd Doherty <tbd1030@outlook.com>

Sent:

Saturday, August 24, 2024 7:42 AM

To:

CD Comment

Cc:

Tracey Doherty

Subject:

Changes to STR Codes

External Email Warning! This email originated from outside of Chelan County.

Greetings,

Our family is very opposed to any changes in the STR code that would result in an increase in the number of STRs in the County. We have had very negative experiences with absentee owners of STRs that border our property. We are specifically opposed to any change in the 6% cap on the number of STRs, and changing the rule which requires Tier 1 rentals to be owner occupied.

Please do not sacrifice the well being of residents in the county for the economic benefit of those outside of it.

Kind Regards,

Todd Doherty

Leavenworth, WA Home: 509.888.5889 Mobile: 510.390.4651

From:

Andy Day <andyday208@gmail.com>

Sent:

Saturday, August 24, 2024 9:47 AM

To:

CD Comment

Subject:

Proposed changes to STR code

External Email Warning! This email originated from outside of Chelan County.

Members of the Planning Commission:

I was saddened to hear that after residents of our Chelan County worked so hard to establish limits on short-term rentals (STRs), that the County is proposing drastic changes that will negatively affect those who reside and vote in Chelan County. The negative impacts of STRs have not changed - reducing the supply of houses for residents and workers, more strangers in residential neighborhoods, and problems with parties and noise. Lightly regulated STRs can dramatically alter the fabric and livability of communities as evidenced by the experience of Sedona, AZ and many other communities around the world. Let's not go backwards!

To be specific, I encourage you join me in opposition to proposed changes to the STR code including:

• Limits

on the numbers of STRs

•

Any

changes to the 6% cap on STRs.

•

Requirement

for rentals to be owner occupied.

•

Excluding

kids under two from the head count for occupancy limits.

The bottom line is, given the housing crisis we are in, we cannot afford to lose any more housing units to investors and people who are not planning to live here full time.

Thank you for your careful consideration of this critical issue.

Andy Day 340 Prospect St, C4

From:

Aaron Hansen <hansen.a@me.com>

Sent:

Saturday, August 24, 2024 10:15 AM

To:

CD Comment

Subject:

No STR code changes please

External Email Warning! This email originated from outside of Chelan County.

Hi,

Please maintain the current STR related code as is.

I'm opposed to any changes that would result in additional STR in the county. Building community starts at the neighborhood level. I've lived in places where I didn't know my neighbors and the lack of community was one of the major factors that lead us to move away. To that end, I'm specifically against any changes to the requirement that Tier 1 rentals are owner occupied.

There's already not enough affordable housing in our community. Please don't make the problem worse by allowing more STR's into our community.

Thank you, Aaron Hansen

From:

buford@tumwater.net

Sent:

Saturday, August 24, 2024 10:22 AM

To:

CD Comment

Subject:

STR Rules

External Email Warning! This email originated from outside of Chelan County.

As a long-time resident (35 years) of Chelan County, I am adamantly opposed to ANY changes in the present STR rules. Adjacent to our property are two STRs - one is a tier 1 and the other is a tier 2. There have been no problems with the tier 1 property and just a few with the tier 2.

In short, nearby STRs have not been a major problem with the current rules. There are currently two tier 1, three tier 2, and one tier 3 STRs in our neighborhood. Since almost half of the homes in our neighborhood are second homes, I fear more would be converted to STRs if the rules were relaxed.

The current STR rules were adopted after much research and community involvement. As I wrote above, I am adamantly opposed to any chances in the current rules.

Buford Howell 509-433-1476

From:

Tim Seaman <tkseaman@gmail.com>

Sent:

Saturday, August 24, 2024 10:59 AM

To:

CD Comment

Subject:

Proposed Changes to the STR Codes

External Email Warning! This email originated from outside of Chelan County.

I cannot believe we are back dealing with STR's in the county.

I am opposed to any changes to the codes that were hammered out previously. The 6% cap is appropriate and should be enforced. Landlord/owners Have to be present to keep some semblance of order and decency throughout our neighborhood. Every beating heart needs to be counted as an occupant because there is a limit to how much infrastructure is required for each and every beating heart.

Do your job and enforce the existing codes and quit looking for ways to get around them!

From:

Gretchen Daiber < rocklady@tumwater.net>

Sent:

Saturday, August 24, 2024 11:37 AM

To:

CD Comment

Subject:

STR changes

External Email Warning! This email originated from outside of Chelan County.

August 24, 2024

Attention:

Chelan County Board of Commissioners and the Community Development Department

As residents of Chelan County for thirty four years we have lived through many changes to our neighborhood. The most distressing and destructive of the changes are the result of the mostly unchecked tourist impact on our local community. Any changes to the STR code would only further degrade the quality of life and safety of full residents.

We need more housing to be available to residents not short term renters.

Do not change the 6% cap on STR numbers.

Keep Tier 1 as owner occupied rentals. We do not need outside investors owning more residences in the county. Children under two should continue to be part of the head count for occupancy. Toilets are still flushed for toddlers and more renters would be impacting our neighborhoods if the count is increased.

We live on a private road with four existing STRs and the added cars on our road already reduce our safety on our non county standard road. Exit from this road in case of a fire emergency and driving in winter conditions are concerns we already face with the tourists in our neighborhood. Please do not make our residential communities less livable.

Gretchen Daiber 1535 Dempsey Rd., Leavenworth

From: Tim Worcester <timwla@gmail.com>

Sent: Saturday, August 24, 2024 11:46 AM

To: CD Comment

Subject: Propose changes to the STR code regulations

External Email Warning! This email originated from outside of Chelan County.

I have recently been informed that there is another attempt to weaken the existing code regulations on the STR issue in Chelan County. I think the existing regulations are fair to both sides of the issue, and should not be changed. In particular:

I am opposed to any changes in the STR code that would result in an increase in the number of STRs in the County. Let them know that we have a housing crisis and that our housing stock must be preserved for the residents who need homes.!!!

I am opposed to any change in the 6% cap on the number of STRs.!!!!

I am opposed to changing the rule which requires Tier 1 rentals to be owner occupied. The purpose of the Tier 1 classification was to allow homeowners to rent out an accessory dwelling unit or basement apartment so that they could realize some additional income to help them to afford their homes. It was not intended to allow investors to buy up more homes in Chelan County.

I am opposed to excluding children under two from the head count for occupancy limits. This change will result in more older children and adults in short term rentals.

Please don't ruin this beautiful place for the sake of profiteering.

Tim and Jan Worcester

Sent from Mail for Windows

From:

Brian Davis <sloopnarhval@msn.com>

Sent:

Saturday, August 24, 2024 12:19 PM

To:

CD Comment

Subject:

STR changes

External Email Warning! This email originated from outside of Chelan County.

Please do not allow STRs to continue to degrade the peace and security of our neighborhoods. STRs are out of hand. I express my opposition to altering the 6% cap, the Tier 1 owner-occupancy rule, and excluding children under two years old from occupancy limits.

Quality of life before raw cash. Please listen.

Thank you Brian Davis 2642 Cottonwood Ln Leavenworth, Wa 98826

From:

Sandy <sid2944@comcast.net>

Sent:

Saturday, August 24, 2024 12:57 PM

To:

CD Comment

Subject:

STR Changes

External Email Warning! This email originated from outside of Chelan County.

Commissioners:

Once again we are sitting across from one another, sizing each other up: money versus families.

It never fails to astonish me (silly me) how little people in power really take into account the importance of neighborhood and family. Truly amazing!

This latest attempt by Chelan County to loosen STR restrictions adopted in July of 2021, to the detriment of neighborhoods and families, is sad, unwise and shameful.

Point #1:

Removing the current 6% cap on STR is only your first step in allowing a free-for-all in all family neighborhoods in Chelan County. The traffic, noise and additional renters have no place in a neighborhood of families. Try and imagine only one permanent homeowner surrounded by an entirety of loud, obnoxious renters. Property values go down; stress goes up.

Point #2:

Are you all out of your freakin' minds?? Allowing the removal of Tier 1 requirements for owner occupied management is simply a sneaky and underhanded way of allowing property investors to buy up more housing and deny families from buying a home of their dreams. Disgusting.

Point #3:

This one is a beauty! Eliminating children under two from an occupancy head count. Have any of you EVER been to a "Chuck e Cheese" or other kids' birthday venue and had a hearing loss from the volume of screaming? Eliminating the "children under two" for a total renter count is ludicrous. I know this is shocking but children under two ARE considered people just about everywhere. So to dismiss this rule of inclusion is both laughable and intolerable, as well. Neighbors and resident homeowners have a right to expect some level of regulation. You would have me believe that 15 two year olds are no more noisy than one. Take a field trip to a day care and see for yourselves.

Lastly, I am totally opposed to ANY changes to STR policies in place currently. So tired of big business and (lack of a backbone on your part) pushing families and Chelan neiborhoods out. Start to care. It would be a nice change that I would support.

Sandy Duvall 140 Roses Lake Lane Manson

From:

BRIAN Shugrue <shugruebf@msn.com>

Sent:

Saturday, August 24, 2024 1:19 PM

To:

CD Comment

Subject:

Proposed STR Regulation Changes - Public Comment Enclosed

Attachments:

Chelan County August 28 PC Agenda Packet.pdf

External Email Warning! This email originated from outside of Chelan County.

Regarding the upcoming August 28 public hearing about the proposed changes to the STR regulations, I find it shocking and incredible for the County to consider any changes at all. The initial problems that had arisen as a result of inadequate regulations (destruction of neighborhoods, rapid increases in the pricing of real estate and the subsequent reduction of affordable housing and the overall degradation of quality of life as a result of overcrowding due to unregulated STR's) are once again being given a chance to resurface. Incredible.

Why is this even being considered? What is prompting these proposed changes?

The regulations have been working extremely well. Illegal STR operators have been uncovered and forced to cease and desist. As a result, the quality of life in neighborhoods has been improving due to the reduction of STR abuses (illegal parking, trespassing, overcrowding, excess trash, noise & light pollution, etc.).

Most important, real estate pricing has stopped it's constant rise thanks to these STR regulations. In the past, out-of-town speculators would snap up homes and turn them into STR's unabated by any County pressures. That has stopped. The 6% Cap has stopped the constant rise in real estate values and will allow them to drop down to reasonable levels that will eventually create affordable housing in our area once again. It takes time, but it IS happening.

So, why on Earth is the County even considering making any change here? This makes zero sense.

I am firmly against the removal of the 6% Cap. The Cap is what stopped the massive STR problem in its tracks. Opening the door for this to occur (and that is what these proposed changes will do) can and will lead to more STRs in residential neighborhoods once again. No way!!!

I am firmly against the proposed Tier 1 Rental Requirement Change. It would allow renters to manage the properties, not owners living on the property. This is also a giant leap backwards. The prior unregulated occupation of STR's by renters clearly proved that without onsite management, constant renter abuse occurs. This is a matter of record, and the County is clearly aware of these past abuses. Why then would anyone consider reopening this can of worms?

As far as changing the regulations for children, they make just as much noise (oftentimes more) than adults, and they are more prone than adults to wander and trespass on neighboring properties. I used to have an STR adjacent to my home, and this happened all the time. The question once again is why? Why is this change being considered? Keep the number of people in the STR properties limited as they currently are.

I am against ANY changes that can weaken the current STR regulations. Leave them alone. They are working well and are beginning to make life better for the residents of Chelan County.

Thank you.

Brian Shugrue, Innkeeper

From:

Matthew Carlisle <carlislematthew@hotmail.com>

Sent:

Saturday, August 24, 2024 2:24 PM

To: Subject: CD Comment STR rules

External Email Warning! This email originated from outside of Chelan County.

Commissioners,

Please do NOT loosen restrictions on STRs. In particular, the density caps. They were a key compromise that the residents got in the code. Without that, all that remains is occupancy limits (which you are also unfortunately looking to water down) and some minor inspection and signage clauses.

The caps are working. I no longer see or hear Long term renters complaining about being kicked out of a house so the owners can rent it out. Sure, housing is still not affordable but that's clearly due to interest rates, and lack of construction. Removing caps is just going to make it worse.

Please remember that in the original discussions for the code, the residents were clearly in favor of strict limits, often pure prohibition, as I was. Most STR owners are from out of town, and they flooded the county with copy and paste emails claiming their altruistic intentions for local businesses, while actually just looking to continue to monetize our neighborhoods. The money mostly flows out of the county...

Leave the code as it is. It's working.

Matthew Carlisle

210 Pinegrass St, Leavenworth WA 98826

PS I sold my place In unincorporated Chelan County due to the influx of STRs around me. Noise, garbage, and no community. I live in Leavenworth city now with a prohibition on STRs. It's much nicer this way.

From:

Joan Frazee <joanfrazee@icloud.com>

Sent:

Saturday, August 24, 2024 3:13 PM

To:

CD Comment

Cc:

haberberger James

Subject:

proposed changes to STR in unincorporated areas

External Email Warning! This email originated from outside of Chelan County.

To whom it may concern,

I am a resident of Leavenworth and I am opposed to any changes in the STR code that would result in an increase in the number of STRs in the County. We have a housing crisis and our housing stock must be preserved for the residents who need homes.

I am opposed to any change in the 6% cap on the number of STRs.

I am opposed to changing the rule which requires Tier 1 rentals to be owner occupied. The purpose of the Tier 1 classification was to allow homeowners to rent out an accessory dwelling unit or basement apartment so that they could realize some additional income to help them afford their homes. It was not intended to allow investors to buy up more homes in Chelan County.

I am opposed to excluding children under two from the head count for occupancy units. This change will result in more older children and adults in short term rentals.

In summary, I am discouraged and disheartened that the County is proposing such drastic changes in an ordinance that the community fought so hard to put in place. Why is Chelan County choosing to go backwards? We do not want any more commercial lodging in our neighborhoods. Tourist lodging should be located in commercial zoning!

Thank you for reading and digesting my comments.

A concerned citizen of Chelan County, Joan Frazee 242 Park Ave. Leavenworth, WA 98826

From:

Michael Kirk <mike_c_kirk@icloud.com>

Sent:

Saturday, August 24, 2024 3:20 PM

To:

CD Comment

Subject:

Short Term Rental Code Changes

External Email Warning! This email originated from outside of Chelan County.

Dear Members of the Chelan County Planning Commission:

I am very much against the purported Short Term Rental Code Changes. Why would anyone want to remove the cap on short term rentals. This was a reasonable compromise to limit the number of properties being allowed to rent short term in residential neighborhoods. This would truly bring back the "wild west" of short term rentals, and be a step backwards from what we have now. If some communities want more short term rentals, they can simply raise their cap.

I am also against the change to "tier one" properties not having an owner-operator living on the property. The owner would definitely not allow activities on their property long before a neighbor might complain about it.

I am also against excluding children under 2 years of age from the head count for all tiers of the short term rentals. Children under 2 years of age can still scream and cry, and some of them can also run around.

Thank you.

Mike Kirk 1546 Santana Drive P.O. Box 92 Manson, Wa 98831

509-433-8800 mike_c_kirk@icloud.com

From:

Marty Fallon <martyfallon@gmail.com>

Sent:

Saturday, August 24, 2024 3:53 PM

To:

CD Comment

Subject:

STR Code Changes

External Email Warning! This email originated from outside of Chelan County.

Chelan County Commissioners: Chelan County Planning Commissioners:

Two years of work, a multitude of hours of volunteer and staff input, and finally a code was adopted that seems to be working quite well. The goal was to preserve the residential communities, allowing for neighbors to know one another, not have a house-next-door with constant turnover of short-term occupants, and to limit the number of STR in these communities so as to allow for housing for people who actually live and work here.

· I am totally opposed to making changes to this code.

• I am opposed to changing the 6% cap on the numbers of STR's in an area.

• I am opposed to changing the Tier 1 Classification. Owner-occupied homes decrease the number of problems that arise and allow for neighbors to co-exist with a STR.

I am opposed to excluding children under two for occupancy limits.

Please consider carefully the impact of STR in our residential communities.

Marty Fallon 12275 Village View Dr. Leavenworth, WA 98826 509-881-8473

From:

Lisa Diederich < lmdiederich@gmail.com>

Sent:

Saturday, August 24, 2024 3:57 PM

To:

CD Comment

Subject:

Keep str cap at 6%

External Email Warning! This email originated from outside of Chelan County.

Hello,

Please keep the STR cap where it is and leave it at 6%.

Thanks, Lisa Diederich Sent from my iPad

From:

david satterfield <davesfield@comcast.net>

Sent:

Saturday, August 24, 2024 4:23 PM

To:

CD Comment

Subject:

STR code changes proposal

External Email Warning! This email originated from outside of Chelan County.

Hello,

We are residents on Lake Wenatchee and are very concerned by the proposed changes to the STR code. This code was established after local residents had enough impact that the county finally reacted to the STR problem and we don't want the problem to return.

We are opposed to the following proposals:

- 1. Removal of 6% Cap: The proposed changes may eliminate the 6% cap on the number of STRs in Chelan County. This could lead to more STRs in residential neighborhoods, potentially reducing available housing for residents.
- 2. Tier 1 Rental Requirement Change: The draft code suggests allowing renters to manage Tier 1 rentals (previously required to be owner-occupied). This change might result in more Tier 1 rentals without owners living on the property, impacting neighborhood character and cohesion.
- 3. Exclusion of Children Under Two: The proposal excludes children under two years of age from occupancy limits. This could lead to higher occupancy in all STRs.

Thank you for your attention to this matter.

Dave & Molly Satterfield 15956 Cedar Brae, Leavenworth, WA

From:

Cindy Shurtleff <cindy@shurtleff.org>

Sent:

Saturday, August 24, 2024 5:47 PM

To:

CD Comment

Subject:

STR revisions: opposition to changes

External Email Warning! This email originated from outside of Chelan County.

Please, please **do not change** the rules that would alter the 6% rental cap, and the Tier 1 owner -occupancy rules. A child under 2 is a person, they must be counted in the occupancy cap.

I live at Lake Wenatchee, we have so many rental properties around the lake. These proposed changes impact us greatly.

Please respect the rules as written. These were years in the making, with lots of feedback. Respect what the voters want.

Thank you,
Cindy Shurtleff.

16075 N Shore Dr Leavenworth, WA 98826

206.390.4431 C cindy@shurtleff.org

Cindy Wright	
From: Sent: To: Subject:	Don Bottoms <donb@plainhookey.com> Saturday, August 24, 2024 7:56 PM CD Comment Proposed STR Code Changes</donb@plainhookey.com>
External Email Warning! This email originated from outside of Chelan County.	
We are residents of Plain.	
We have an STR property adjace	ent to ours.
We are FULL-TIME residents the	re.
The Owners and managers of that adjacent STR property are doing a marginal job at best to maintain it and to ensure the prescribed guest limits are observed.	
These proposed changes will act	only to exacerbate situations such as this.
We strongly oppose adoption of	the below changes to the code:
*Altering the 6% cap on the nu	mber of STR's in our area
* Changing the Tier 1 Occupance	y Rule
* Excluding children under 2 from occupancy limits.	
Thank you for your consideration	n
Don & Pat Bottoms	
12398 Hill Street	
Plain, WA	
Best Regards,	
Don Bottoms Plain WA, USA	

From:

pat thirlby <patthirlby@gmail.com>

Sent:

Saturday, August 24, 2024 8:54 PM

To:

CD Comment

Subject:

No Short Term Rental Code Changes

External Email Warning! This email originated from outside of Chelan County.

Dear Community Development,

The Chelan County community went through two years of a pain staking, arduous process to help create a code to regulate STR's. This effort was open to the public, a Task Force was employed and a code was finally created. The Community Development staff has worked hard at applying the code correctly and an enforcement agency has been hired to help.

The difference in our Leavenworth neighborhood that the current regulations have made are life changing. STR homes that are registered, following the rules and respecting neighbors are more able to coexist in our rural residential setting. The bad actors aren't as bad. Recent real estate sales on our road have not turned into STR's because of the cap. We have new families for neighbors. They care about our future, the landscape, fire safety and we take care of each other.

Residents United for Neighbors was started at my dining room table over eight years ago. So many people in the community have poured hours into encouraging the County to do the right thing for residents and for rental owners. It would be a tragedy and a grave injustice to change the code. Our community's future will be in peril again if investors are allowed to ruin our precious housing stock and residential quality of life.

PLEASE DO NOT RUIN THE SHORT TERM RENTAL CODE by putting private business and development interests ahead of our neighborhoods.

Sincerely, Pat Thirlby

From:

Carol & Fred Guimond <carolkfredg@gmail.com>

Sent:

Sunday, August 25, 2024 8:57 AM

To:

CD Comment

Subject:

STR Code

External Email Warning! This email originated from outside of Chelan County.

I strongly disagree with the proposed change. Wasn't that made clear in the last go around?

Please don't agree to these changes!

Thanks you!

Carol Kasper

From:

Juris Vagners < jurisvagners@icloud.com>

Sent:

Sunday, August 25, 2024 9:25 AM

To:

CD Comment

Subject:

County wide STR

External Email Warning! This email originated from outside of Chelan County.

To the Board:

Being full time residents at Lake Wenatchee, surrounded by STR properties, we wish to register our concerns about the regulations changes currently under consideration. Even with the current regulations, the behavior of those who use STR properties continues to create issues, particularly violations of occupancy, late night parties as well as trespassing to access the Lake. So we hope that the proposed changes will NOT be implemented as they would only make issues worse.

Thank you!

Juris Vagners & Linda Christianson 16376 North Shore Drive Leavenworth, WA 98826

From:

Daniel O'Connor | See Bicycles <dan@seebicycles.com>

Sent:

Sunday, August 25, 2024 11:15 AM

To:

CD Comment

Subject:

Proposed STR code changes

External Email Warning! This email originated from outside of Chelan County.

There are already far too many STRs in Chelan County which has directly caused a severe housing shortage for residents and the only housing available is totally unaffordable for most of the people who actually live here. That is unacceptable.

I am opposed to any changes in the STR code that would result in an increase in the number of STRs in the County. We have a housing crisis and our housing stock must be preserved for the residents who need homes.

I am opposed to any change in the 6% cap on the number of STRs.

I am opposed to changing the rule which requires Tier 1 rentals to be owner occupied. The purpose of the Tier 1 classification was to allow homeowners to rent out an accessory dwelling unit or basement apartment so that they could realize some additional income to help them to afford their homes. It was not intended to allow investors to buy up more homes in Chelan County.

I am opposed to excluding children under two from the head count for occupancy limits. This change will result in more older children and adults in short term rentals.

Daniel O'Connor 12597 Wilson St Leavenworth, WA

From:

jems4mtns@comcast.net

Sent:

Sunday, August 25, 2024 11:47 AM

To:

CD Comment

Subject:

Proposed STR changes

External Email Warning! This email originated from outside of Chelan County.

We strongly encourage the Chelan board to NOT alter the STR rules. We live full time on N Shore Dr, Lake Wenatchee. We are retired. We are daily dog walkers so are very aware of the impacts to our neighborhood of STRs. There are currently five STR-2's and two STR-1's within a short walk (1/4 mile) of our home. There are two more STR-1's (ADU's) being built right across the street bring our total to nine (9) STR's!! We are far over 6% in this neighborhood and we hope we can get to at-or-below 6% someday.

Increasing the cap above 6% is depressing to us. Very insensitive to residents who want to live in a residential, not commercial, neighborhood. STR Issues we regularly deal with are the same issues you have heard about before (significant increase in people noise, garbage dumping (wind or bears), tresspassing, dog poop on walking sides of N Shore Dr) or in our yard!, traffic, etc). We have observed the issues are less with owner-occupied STR's as their guests act more well behaved, however, it still changes the character of the neighborhood.

Bottom line is it is a hassle living amoung STRs regardless of STR tier, and it lessens the quality of the neighborhood. Please, whatever you do, do NOT increase the ability to have more non-owner occupied STR's! Also do NOT raise the 6% cap or allow more people because of age. People are people. (If your doing under 2 yrs old who/how are ages checked? Why 2 and not 3 or 1? Etc.) These proposed changes are a direct negative impact to the residents of my residential neighborhood.

While you ponder softening the STR restrictions please really listen to us who live here. Think hard about who benefits and who doesn't, and not just financially but quality of life. Think long -term. STR & ADU rules do change neighborhoods and does not do so evenly evenly within your zones. Some streets are significantly more impacted. What you may think is a minor tweak can and does have heavy impacts on specific neighborhoods and specific neighbors.

We think full time Chelan neighborhood residents should be your priority rather than those wanting more commercialization of residential neighborhoods. We think STR's change the character of neighborhoods and the more STR's, regardless of Tier, the more the neighborhood becomes commercialized.

We ask you to NOT make changes to existing STR rules.

Sincerely, J&E Morse 17xxx N. Shore Dr. Lake Wenatchee

From: william.lockinger@frontier.com
Sent: Sunday, August 25, 2024 11:52 AM

To: CD Comment

Subject: Proposed revisions to Chelan County STR Code

External Email Warning! This email originated from outside of Chelan County.

We currently have one STR adjacent to our property and another across the street. There are another 10 plus STR's within a 1/2 mile radius of our home. Essentially we have new neighbors every week as the homes are rented continually throughout the year.

This does away with any sense of community, and you are looking to increase the cap and further saturate the area in rentals. The proposed changes are another way for Chelan County to generate additional revenue and inconvenience the residents that call this home.

- 1. I am opposed to any changes in the STR code that would result in an increase in the number of STR's in the County. We have a housing crisis and our housing stock must be preserved for the residents who need homes.
- 2. I am opposed to any change in the 6% cap on the number of STR's.
- 3. I am opposed to changing the rule which requires Tier 1 rentals to be owner occupied. The purpose of the Tier 1 classification was to allow homeowners to rent out an accessory dwelling unit or basement apartment so that they could realize some additional income to help them to afford their homes. It was not intended to allow investors to buy up more homes in Chelan County.
- 4. I am opposed to excluding children under two from the head count for occupancy limits. This change will result in more older children and adults in short term rentals.

We have first hand experience in Chelan County of unaffordable housing. Our daughter was offered employment in Wenatchee, but due to the cost and lack of affordable housing she was unable to take the position.

Regards, Bill Lockinger

From:

Jabe Blumenthal <jabe@haycanyon.com>

Sent:

Sunday, August 25, 2024 12:44 PM

To:

CD Comment

Subject:

proposed STR code changes

External Email Warning! This email originated from outside of Chelan County.

I am writing to oppose the weakening and watering down of the existing STRs in Chelan County including:

- * I am opposed to any change/weakening in the sensible 6% cap on the number of STRs.
- * I am especially opposed to any change/weakening in the current sensible requirement that Tier 1 rentals be owner-occupied properties.
- * I am opposed to excluding children under two from the head count for occupancy limits, which exclusion makes no rational sense.

The vast majority of absentee owners of STRs don't even live in Chelan County. And we have a serious housing shortage. Your priority should be addressing that shortage for the working families of Chelan County, not for out-of-county rental owners driving up housing prices.

Thank you for considering. Jabe Blumenthal Cashmere, WA

From:

Gro Buer <grobuer@gmail.com>

Sent:

Sunday, August 25, 2024 2:41 PM

To: Subject: CD Comment Nightly Rentals

External Email Warning! This email originated from outside of Chelan County.

Dear Commissioners.

I am so angry and disappointed that you 3 would consider changing the STR guidelines/rules after the years of work by so many people.

It is sneaky and a slap in the face to many who believe in neighborhoods/community and have supported the regulations that are now in force.

I live in Leavenworth and STRs really affect us in multiple negative ways and most people who own STRs don't live here. We want our community to be cohesive and united, but multiple STRs in neighborhoods make it less likely to know your next door neighbors. .

Tier 1 proposal change is particularly enraging since we need affordable housing and your proposals make it more difficult for someone who lives on site to rent out space for income.

Proposing to change the regulations of STRs after the negotiations that took so long and in good faith(and included compromises) undermines the process of democracy.

Shame on you!!!!

I will do everything in my power to stop this process and will lose my trust in you as elected officials if this change happens.

In summary: The residents of Leavenworth and Chelan County worked together to create the STR guidelines along with-Commissioners and it feels like a betrayal for you to consider changing them.

I'm suspicious of why this is happening now before Brad comes on the commission and I think you need to come clean! Sincerely, Gro Buer 8050 E Leavenworth Rd

From:

fergjs@comcast.net

Sent:

Sunday, August 25, 2024 2:47 PM

To:

CD Comment

Subject:

Opposition to changes in Chelan County Short Term Rental Codes

External Email Warning! This email originated from outside of Chelan County.

Dear Chelan County Planning Commission,

We have been informed of proposed changes to the Short Term Rental Codes, and we are writing you to let you know that we are opposed to the proposed changes. Specifically:

- 1. We are opposed to any changes in the STR code that would result in an increase in the number of STRs in the County. We already have a housing crisis and our housing stock must be preserved for the residents who need homes.
- 2. We are opposed to any change in the 6% cap on the number of STRs.
- 3. We are opposed to changing the rule which requires Tier 1 rentals to be owner occupied. The purpose of the Tier 1 classification was to allow homeowners to rent out an accessory dwelling unit or basement apartment so that they could realize some additional income to help them to afford their homes. It was not intended to allow investors to buy up more homes in Chelan County.
- 4. We are opposed to excluding children under two from the head count for occupancy limits. This change will result in more older children and adults in short term rentals.

Sincerely,

/s/

John & Sue Ferguson 12745 Shore St. Leavenworth, WA 98826

John: 206-498-5902 / fergis@comcast.net

From:

marycox@nwi.net

Sent:

Sunday, August 25, 2024 6:51 PM

To:

CD Comment

Subject:

STR Code change comments

External Email Warning! This email originated from outside of Chelan County.

To: Members of the Chelan County Planning Commission

From: Mary Cox, full-time resident of Chelan County

Subject: I am strongly opposed to any changes to the STR Code!

I read the agenda for the meeting on August 26 and the related staff materials regarding the proposed changes in the STR code. I am shocked, disheartened, and angry that Chelan County is proposing such drastic changes to an ordinance that the community fought so hard to put in place. The negative impacts of STRs on communities have not changed. Communities with high levels of tourism all over the world are enacting strong regulations to limit STR's. Why is Chelan County choosing to go backwards? I/we do not want any more commercial lodging in our neighborhoods! Tourist lodging should be located in commercial zoning.

Some relatives came to visit me in the Leavenworth this summer and they said they found an abundance of hotel accommodations just 2 weeks in advance of their trip. This tells me that we don't need more STR's for tourists – seems to be plenty of hotel space!

- 1) I am strongly opposed to any changes in the STR code that would result in an increase in the number of STR's in Chelan County. I believe we have a housing crisis and that our available housing must be preserved for the residents who need homes.
- 2) I am opposed to any change in the 6% cap on the number of STR's.
- 3) I am opposed to changing the rule which requires Tier 1 rentals to be owner occupied.
- 4) I am opposed to excluding children under two from the head county for STR occupancy limits.

Please recommend to the County Commissioners that no changes should be made to the STR code. Thank you,

Mary Cox

Lake Wenatchee

From:

Maureen < maureen@nwi.net>

Sent:

Sunday, August 25, 2024 7:20 PM

To:

CD Comment

Subject:

Proposed changes for STR'S

External Email Warning! This email originated from outside of Chelan County.

I live in the Ponderosa in Plain and am strongly opposed to changes that would remove the 6% cap or remove the requirement that Tier 1 rentals be owner occupied.

I am shocked and honestly sick to my stomach that you would consider dismantling a code that took years to put together. A compromise that supported tourism, acknowledged the housing shortage in our area, and protected the desire of residents to maintain a sense of community in their neighborhoods.

Who do you represent?

Maureen O'Dea 24201 Morgan St. Leavenworth, WA. 98826

Sent from my Verizon, Samsung Galaxy smartphone Get <u>Outlook for Android</u>

From:

John Neff <johnneffnow@gmail.com>

Sent: Sunday, August 25, 2024 9:10 PM

To: Subject: CD Comment STR Code Proposals

External Email Warning! This email originated from outside of Chelan County.

Dear Chelan County Board of Commissioners,

I and my family are stunned by the County proposing drastic changes in an ordinance that the community fought so hard to put in place.

Who is benefitting? Certainly not the residents.

The negative impacts of STRs on communities have not changed - reduction in the number of houses available for residents to buy or rent, more strangers in residential neighborhoods, and problems of parties and excess noise. Communities with high levels of tourism all over the world are enacting strong regulations to limit short term rentals

- 1. I am STRONGLY opposed to any changes in the STR code that would result in an increase in the number of STRs in the County. Let them know that we have a housing crisis and that our housing stock must be preserved for the residents who need homes.
- 2. I am STRONGLY opposed to any change in the 6% cap on the number of STRs.
- 3 I am STRONGLY opposed to changing the rule which requires Tier 1 rentals to be owner occupied. The purpose of the Tier 1 classification was to allow homeowners to rent out an accessory dwelling unit or basement apartment so that they could realize some additional income to help them to afford their homes. It was not intended to allow investors to buy up more homes in Chelan County.
- 4. I am STRONGLY opposed to excluding children under two from the head count for occupancy limits. This change will result in more older children and adults in short term rentals.

John Neff

Resident of Leavenworth, WA for 13 years

From:

CLeuck@nwi.net

Sent:

Sunday, August 25, 2024 10:11 PM

To:

CD Comment

Subject:

Constituent feedback regarding proposed changes to the STR code

External Email Warning! This email originated from outside of Chelan County.

I am a Chelan County full time resident. I live in the Lake Wenatchee area. Prior to the County adopting the current STR codes our neighborhood was suffering from too many nightly rentals, most of which were mismanaged by absentee property owners. Our daily plight included but was not limited to trespassing, dangerous bonfires, occasional drunken fights, and almost daily misparked cars that blocked egress in and out of our shared driveway and access road with community easement. The current code is not perfect but has greatly improved my neighbors and my quality of living by reducing the number of STRs in our neighborhood.

The proposed changes to the code all support an increased foot print size and increased profitability of the STR industry in our country. If granted the changes would support profit and business over community and quality of life in residential neighborhoods that were not and never have been zoned for running businesses. Short term rentals are businesses. For this reason:

- I am opposed to any changes in the STR code that would result in an increase in the number of STRs in the County. We have a housing crisis and our housing stock must be preserved for the residents who need homes.
- I am opposed to any change in the 6% cap on the number of STRs.
- I am opposed to changing the rule which requires Tier 1 rentals to be owner occupied. The
 purpose of the Tier 1 classification was to allow homeowners to rent out an
 accessory dwelling unit or basement apartment so that they could realize some additional
 income to help them to afford their homes. It was not intended to allow investors to buy
 up more homes in Chelan County.
- I am opposed to excluding children under two from the head count for occupancy limits.
 This change will result in more older children and adults in short term rentals.

From:

Mike Worden < wordenrmike@yahoo.com>

Sent:

Sunday, August 25, 2024 10:56 PM

To:

CD Comment

Cc:

mike worden; Lori Worden

Subject:

New STR Proposals

External Email Warning! This email originated from outside of Chelan County.

Dear Planning Commission,

As a resident who is surrounded by STRs and still suffers from noise and trespassing from these renters, I appreciate the positive changes you have introduced in recent years to regulate this activity. Enforcement still remains a challenge.

We are opposed to any STR code changes that would increase the number of STRs. We have a housing shortage/crisis as it is and housing should be preserved for residents who need homes. So please do not increase beyond the 6% cap. We are opposed to changing the rule that Tier 1 rentals be owner occupied. This keeps owners nearby/easily accessible and helps them supplement income to help them afford their homes, etc. We also oppose excluding children under two from headcount of occupancy limits. We have seen a tendency to already over stuff the STRs with older kids and adults, why add to this?

Thanks for your kind consideration, Mike and Lori Worden 9675 Dye Road Leavenworth WA 98826

Sent from my iPad

From:

Shaun Seaman <shaunm48@gmail.com>

Sent:

Monday, August 26, 2024 6:55 AM

To:

CD Comment

Subject:

Proposed changes to the Chelan County STR code

External Email Warning! This email originated from outside of Chelan County.

I am writing to inform the Chelan County Commision of my complete opposition to the proposed changes to the County's STR code related to the removal of the 6% cap on STRs, the change in Tier 1 STRs requirement for a owner onsite and the exclusion of children under 2 years of age from the head count.

The current code as you must know was a compromise that no one was happy with but all accepted as the best that could be achieved. These actions being proposed now are simply a slap in the face of those that worked to keep Chelan County a livable place, not a large, sprawling resort where those that work and VOTE here have our lives impacted regularly.

This action clearly violates the letter and spirit of the County's Comprehensive Plan that recognises the value of neighbors of all sizes and characteristics and the need to maintain valuable housing stock. This latter point is crucial as much of the county, state and nation face a housing shortage. It is amazing to those of us that care deeply about the character and future of Chelan County that the Commission is even considering these actions.

It is clear that the timing of these proposals is intentional and an act that will benefit a few non-Chelan County residents to the detriment of many full-time residents.

Please reject these proposals.

Shaun Seaman Leavenworth

From:

Linda Wood < lwood11@icloud.com> Monday, August 26, 2024 7:58 AM

Sent: To:

CD Comment

Subject:

Chelan County STR Code

External Email Warning! This email originated from outside of Chelan County.

Hello,

I am a Chelan County full time resident. I live in the Lake Wenatchee area. Prior to the County adopting the current STR codes our neighborhood was suffering from too many nightly rentals, which were mismanaged by absentee property owners. The proposed changes to the code all support an increased foot print size and increased profitability of the STR industry in our country. If granted the changes would support profit and business over community and quality of life in residential neighborhoods that were not and never have been zoned for running businesses. Short term rentals are businesses. For this reason:

- I am opposed to any changes in the STR code that would result in an increase in the number of STRs in the County. We have a housing crisis and our housing stock must be preserved for the residents who need homes.
- I am opposed to any change in the 6% cap on the number of STRs.
- I am opposed to changing the rule which requires Tier 1 rentals to be owner occupied. The
 purpose of the Tier 1 classification was to allow homeowners to rent out an
 accessory dwelling unit or basement apartment so that they could realize some additional
 income to help them to afford their homes. It was not intended to allow investors to buy
 up more homes in Chelan County.
- I am opposed to excluding children under two from the head count for occupancy limits.
 This change will result in more older children and adults in short term rentals.

From:

bmpayne@nwi.net

Sent:

Monday, August 26, 2024 8:21 AM

To:

CD Comment

Cc:

info@coalitionofchelanchelan.org

Subject:

Short Term Rentals

External Email Warning! This email originated from outside of Chelan County.

I am STRONGLY opposed to changing and watering down the requirements for Short Term Rentals.

My wife and I moved to the Plain area of Chelan County twenty years ago to retire in a place with beautiful scenery, much less traffic, and peaceful, quiet surroundings.

Over the last 10 years this has been shattered by ever increasing numbers of people coming from the West side to vacation and party. Many of them take unsafe risks and increase the burden on our volunteer fire districts. Some of them disregard rules and jeopardize the safety of others by activities like:

- Having bonfires during periods when burning and campfires are prohibited,
- Rafting the river without lifejackets,
- Hiking without taking essential items,
- Allowing their dogs to run loose,
- Renting snowmobiles or 4 wheelers with minimal training on how to use them safely, and
- Trespassing on private property.

These risks often turn into calls for help from Fire Districts and or the Sheriff. In the Plain area responses from the Sheriff Deputies are frequently over an hour to reach the scene. These risks appear somewhat mitigated, but are not eliminated when the STRs owners are present on the property.

The STR renters often arrive at rural fire stations with medical issues expecting the stations to be continuously manned.

I strongly encourage you not to increase the number of STRs and to keep the existing requirements in place.

Mike Payne

From:

bmpayne@aol.com

Sent:

Monday, August 26, 2024 8:26 AM

To:

CD Comment

Subject:

Short Term Rentals

External Email Warning! This email originated from outside of Chelan County.

I am STRONGLY opposed to changing and watering down the requirements for Short Term Rentals.

My husband and I moved to the Plain area of Chelan County twenty years ago to retire in a place with beautiful scenery, much less traffic, and peaceful, quiet surroundings.

Over the last 10 years this has been shattered by ever increasing numbers of people coming from to vacation and party. Many of them take unsafe risks and increase the burden on our volunteer fire districts. Some of them disregard rules and jeopardize the safety of others by activities like:

- Having bonfires during periods when burning and campfires are prohibited,
- Rafting the river without lifejackets,
- Hiking without taking essential items,
- Allowing their dogs to run loose,
- Renting snowmobiles or 4 wheelers with minimal training on how to use them safely, and
- Trespassing on private property.

These risks often turn into calls for help from Fire Districts and or the Sheriff. In the Plain area responses from the Sheriff Deputies are frequently over an hour to reach the scene. These risks appear somewhat mitigated, but are not eliminated when the STRs owners are present on the property.

The STR renters often arrive at rural fire stations with medical issues expecting the stations to be continuously manned.

I strongly encourage you not to increase the number of STRs and to keep the existing requirements in place.

From:

Rob Shurtleff <rob@shurtleff.org>

Sent:

Monday, August 26, 2024 8:52 AM

To: Subject: CD Comment STR Regulations

External Email Warning! This email originated from outside of Chelan County.

Please do not remove the cap on short term rentals or change the owner in residence requirement for Tier 1 rentals.

We have too many STRs, the regulations have made things somewhat better for neighbors of STRs but reducing the number over time is a good goal

Thanks
Rob Shurtleff
Lake Wenatchee

From:

Don <phatberryfarm@gmail.com>

Sent:

Monday, August 26, 2024 9:47 AM

To:

CD Comment

Subject:

Opposition to STR Code Changes

External Email Warning! This email originated from outside of Chelan County.

I am in opposition to any changes to the current STR Codes.

Don Cullison 134 Borealis Lane Manson, WA 98831 509-415-9462

From:

Jackie Cagle <ichasebikes@yahoo.com>

Sent:

Monday, August 26, 2024 10:13 AM

To: Subject: CD Comment STR Codes

External Email Warning | This email originated from outside of Chelan County.

STRS

My husband and I live next to a STR on a small lake. Living next to one has taken the joy out of living in our own home inside and out. Summers we leave as much as possible so that we don't have to endure all the negative aspects of living next to one. The experiences we've endured are absolutely deplorable.

- •loud music
- outdoor party venue, drinking screaming, yelling, foul language at any time of the day
- drone flying over our deck space filming into our living room
- inappropriate behavior
- Building Open fires during a no burn ban
 - Being called every name you can possibly imagine because we are asking them to please take their party inside
 - Breaking boating regulations
 - Stuffing their trash in our garbage can and we are charged the extra fee
 - Renters come with an agenda, that they're going to have a good time and no one is going to stop them
 - Renters bring their attitude and lack of respect
 - · Neighbors of rentals suffer from greedy property owners

I oppose the removal of the STR cap, or excluding children under 2 in the headcount or allowing the renter to manage the rental property

My question to you is do you live next to a short term rental and with all the information gathered about the negativity of STR's would you want to live next to one? Would you purposely buy a home next to a-short term rental? Would you want your children or grandchildren or friends to live next to one. They are a community problem, a county problem, a statewide problem, a nationwide problem, and a worldwide problem. Please give back our community, we all deserve to enjoy our homes.

Thank you, Jackie Cagle Manson Washington

Sent from my iPhone

From:

fred guimond <fredguimond@bellsouth.net>

Sent:

Monday, August 26, 2024 10:32 AM

To:

CD Comment

Subject:

Upcoming CDD proposal for revisions to the STR Code

External Email Warning! This email originated from outside of Chelan County.

I am AGAINST removing the 6% cap on the number of of STR's in Chelan County. Leave it where it is.

We are AGAINST letting Tier 1 rental properties be managed by the renters. Keep the requirement that these properties have a owner living in them. They MUST be owner -occupied.

Do NOT make a change excluding Children under two years old being included in the occupancy limits. Keep them in the occupancy limits.

Thank you, Fred Guimond & Carol Kasper

From:

Ryan Sommers < ryansommers 07@gmail.com>

Sent:

Monday, August 26, 2024 10:59 AM

To:

CD Comment

Subject:

Proposed Changes in Short-Term Rental Code

External Email Warning! This email originated from outside of Chelan County.

To whom it may concern,

This email is in regard to the hearing for proposed STR changes on August 28. My wife and I are unable to attend, but as residents living next door to an STR with the additional burden of a shared space, we feel compelled to express our strong opposition to the proposed changes to the short-term rental regulations in Chelan County.

- We strongly oppose any alterations that would lead to an increase in the number of STRs within the County. Chelan County is already grappling with a severe housing shortage, and it's crucial to safeguard our housing for permanent residents rather than expanding short-term rental opportunities.
- We are against modifying the current requirement that Tier 1 rentals be owner-occupied. The purpose of this rule was to support homeowners who need additional income by allowing them to rent out part of their primary residence. It should not be a loophole for investors to acquire more properties in the area.
- We also oppose the proposal to exclude children under two from the occupancy limit count. How would this be enforced? Renters already ignore rules and this adjustment will lead to higher occupancy in general, diminishing the quality of life for full-time residents.

It already feels like we're losing the makeup of our town, and everything seems geared towards making sure STR's can make more money at the detriment of residents. We've had less than ideal interactions with code enforcement and don't have confidence that expanding STR's and occupancy will be handled in a satisfactory manner.

We urge you to prioritize the needs of our local community and protect housing availability for those who live here year-round over the interests of expanding short-term rentals.

Thank you for considering our perspective on this important matter.

Sincerely,

Ryan and Tristan Sommers
74 Fishermen Pl
Manson WA 98831

From:

Gina Quinn <gina.a.quinn@gmail.com>

Sent:

Monday, August 26, 2024 11:13 AM

To:

CD Comment

Subject:

Opposed to Changes in STR Code - Input for Public Hearing on WED 08/28

External Email Warning! This email originated from outside of Chelan County.

Commissioner Overbay, Commissioner Smith, and Commissioner Gering,

Good Morning,

As you are well aware, we have a housing-crisis in Chelan County AND across the State. I am disheartened that the County is proposing drastic changes in an ordinance that the community fought so hard to put in place. The negative impacts of STRs on communities have not changed. This includes the reduction in the number of houses available for residents to buy or rent, more strangers and outsiders in residential neighborhoods, and problems with disorderly parties, congested driveways/traffic/street parking and excess noise.

I am opposed to any changes in the STR code that would result in an increase in the number of STRs in Chelan County. It is imperative that our housing pool be held for the numerous residents who are unhoused, living with family or friends out of necessity, couch-surfing and/or traveling 30-40 miles to their place of employment.

I am opposed to any change in the 6% cap on the number of STRs. Tourist lodging should be located in commercial zoning....not in quiet residential neighborhoods with residential zoning.

I am opposed to changing the rule which requires Tier 1 rentals to be owner occupied. The purpose of the Tier 1 classification was to allow homeowners to rent out an accessory dwelling unit or basement apartment for additional income to help them to afford their homes. It was not intended to allow investors to buy up more homes in Chelan County for STR's.

Why is Chelan County choosing to go backwards? Who is being lobbied by Chelan County....big investors and developers? Please put a STOP to their demands that negatively impact our neighborhoods!

Thank you,

Gina A. Quinn 5920 Kimber Rd Cashmere, WA 509-393-5060

From:

Gina Quinn < gina.a.quinn@gmail.com>

Sent:

Monday, August 26, 2024 11:18 AM

To:

CD Comment

Subject:

Opposed to changes in STR ordinance - PH on Wednesday 08/28 (Resending)

External Email Warning! This email originated from outside of Chelan County.

Commissioner Overbay, Commissioner Smith, and Commissioner Gering,

As you are well aware, we have a housing-crisis in Chelan County AND across the State. I am disheartened that the County is proposing drastic changes in an ordinance that the community fought so hard to put in place. The negative impacts of STRs on communities have not changed. This includes the reduction in the number of houses available for residents to buy or rent, more strangers and outsiders in residential neighborhoods, and problems with disorderly parties, congested driveways/traffic/street parking and excess noise.

I am opposed to any changes in the STR code that would result in an increase in the number of STRs in Chelan County. It is imperative that our housing pool be held for the numerous residents who are unhoused, living with family or friends out of necessity, couch-surfing and/or traveling 30-40 miles to their place of employment.

I am opposed to any change in the 6% cap on the number of STRs. Tourist lodging should be located in commercial zoning....not in quiet residential neighborhoods with residential zoning.

I am opposed to changing the rule which requires Tier 1 rentals to be owner occupied. The purpose of the Tier 1 classification was to allow homeowners to rent out an accessory dwelling unit or basement apartment for additional income to help them to afford their homes. It was not intended to allow investors to buy up more homes in Chelan County for STR's.

Why is Chelan County choosing to go backwards? Who is being lobbied by Chelan County....big investors and developers? Please put a STOP to their demands that negatively impact our neighborhoods!

Thank you,

Gina A. Quinn 5920 Kimber Rd Cashmere, WA 509-393-5060

From:

clint@nwi.net

Sent:

Monday, August 26, 2024 11:27 AM

To:

CD Comment

Subject:

STR changes

External Email Warning! This email originated from outside of Chelan County.

To: Chelan County Commissioners

I am a long-term Chelan County resident living on East Leavenworth Rd.

outside Leavenworth. I am experiencing first hand the negative effects of short term rentals(STR) in Chelan County. The house across the road from our property was converted to an STR. What was once a lovely home with a pleasant neighbor is now a busy and noisy rental property. Every couple of days a new group of renters arrive with their noisy cars and trucks, music, unsupervised children and yappy dogs. I have seen as many as six vehicles in the driveway and it is obvious the maximum allowed occupancy is being exceeded. We now have a constant parade of strangers in our midst, rather than a long-term neighbor. STR's are changing our once quiet and stable neighborhoods into noisy and unpleasant party environments.

I oppose the proposed changes to the STR regulations for a number of reasons.

- *Increasing STR's by removing the 6% cap will increase the negative impact of STR's noted above and will further reduce a very limited housing stock in our area.
- *Eliminating the requirement for Tier 1 rentals to be owner-occupied will likely increase out of county STR ownership and with no owner on-site STR occupants will have little incentive to restrict their unruly behavior.
- *Excluding children under two years of age from the occupancy count will likely increase adult occupancy and create more noise and disturbance.

Lodging for tourists should be restricted to commercial zones and should not be allowed in residential neighborhoods.

Many high tourist communities are striving to control STR's. Why is Chelan County proposing to increase STR's and reduce our quality of life?

I adamantly oppose any changes to county regulations that would increase STR's.

Clint Lougheed, Leavenworth

From:

Dan and Christine Cassayre <cassayre@nwi.net>

Sent:

Monday, August 26, 2024 11:58 AM

To:

CD Comment

Subject:

Changes in the STR code

External Email Warning! This email originated from outside of Chelan County.

Chelan Co Planning Commission,

Here we are again. Many of the residents in Chelan Co who own and live full time in their homes have been letting you know for years how we feel about too many STR's. There has been many hours spent working with you to work out these rules. In 2021 the county's short term rental code was finally adopted. It wasn't everything I had hope for, but it was progress. I live next to 2 STR homes. One is managed quite well and the other is always a problem. Where is the protection for those of us who live here full time? We fought so hard to get this code and now you want to make changes. It is aggravating and wrong.

Please leave the cap for STRs at 6% of the housing stock in all areas, and keep the caps and restrictions intact for Manson and Peshastin.

Please do not exclude children under the age of 2 years old in the head count for limits on occupancy for each of the Tiers of STR's. This will increase the amount of noise and traffic in and around the STR.

Please leave the code as is. We do not need more STR's in our neighborhoods.

Thank you, Christine and Dan Cassayre 8700 Icicle Rd, Leavenworth, WA

From:

Geoff Burg <geoff@glblaw.com>

Sent:

Monday, August 26, 2024 12:01 PM

To:

CD Comment

Subject:

Proposed STR Rule Changes - Opposition

External Email Warning! This email originated from outside of Chelan County.

I am writing to express my opposition to the proposed rules altering the Short Term Rental code, the 6% cap, the Tier 1 owner-occupancy rule, and excluding children under two years old from occupancy limits. These rules will hurt neighborhoods and increase the problems surrounding the housing demand in Chelan County. I respectfully request that the rules not be revised.

Geoffrey Burg 16401 Noth Shore Drive, Leavenworth WA 98826

From:

Julie Burg <burgjulieh@gmail.com>

Sent:

Monday, August 26, 2024 12:15 PM

To:

CD Comment

Subject:

Proposed STR Rule Changes - Opposition

External Email Warning! This email originated from outside of Chelan County.

Dear Chelan County Board of Commissioners:

I am writing in opposition to the proposed STR code revisions being proposed by the Community Development Department. I urge you to reject the removal of the 6% cap, Tier 1 rental requirement change, and exclusion of children under two. These proposed changes will have a direct, negative impact on me personally and our County as a whole. The proposed changes will reduce available housing for county residents, negatively impact neighborhood character and community, and lead to higher occupancy in all STRs in the county.

I urge you to stick to the existing requirements and reject the proposed changes.

Thank you.
Julie Burg
16401 N Shore Dr.
Leavenworth WA

From:

Ron Larson < ronlarson@comcast.net>

Sent:

Monday, August 26, 2024 12:47 PM

To:

CD Comment

Subject:

Proposed Changes to Chelan County STR code

External Email Warning! This email originated from outside of Chelan County.

To:

Chelan County Community Development Department

Subject: Proposed Changes to the Chelan County STR code

It has come to my attention that the department is proposing a number of changes to the counties' Short Term Rental Code. These changes significantly weaken the existing code, adopted in July of 2021, after 2 years of workshops and hearings.

There is nothing that has occurred in the last three years to warrant any changes. One must only assume the Commissioners are doing the bidding of wealthy development interests.

I strongly recommend the County stand by the existing code and protect the interests of the majority of permanent residents in the county.

Respectfully submitted,

Ron Larson 10412 Fox Road Leavenworth WA

From: Mahala Murphy-Martin <mahalamartin@outlook.com>

Sent: Monday, August 26, 2024 12:52 PM

To: CD Comment

Subject: STR proposed rule changes

External Email Warning! This email originated from outside of Chelan County.

Dear Planning Commission,

I cannot believe that we are back in the process of trying to stave off another attempt at implementing changes to the STR rules.

Nothing has changed from the previous situation!

We are still sorely lacking housing for our working/living community in Chelan County. We must be able to preserve the limited housing stock that is available.

Living in unincorporated Chelan County in Leavenworth, has acutely demonstrated the problems with STR's.

The STR's are problematic for neighborhoods for many reasons.

STR habitants do not respect the need to slow their speed for small children, residents, and the wild life.

They do not respect the peaceful tranquility that residents enjoy in their neighborhoods, with their parties/activities and loud vehicles.

STR's **do nothing** to give back to the community. They are simply "cash cows" for the owners, who do not provide any service or concern for participating/giving back to the Communities.

This is the benefit of permanent Residents. These are the people who join the non-profits/service organizations who are trying to do good things for our communities such as those in need/schools, etc...

Without the restrictions in place, wealthy owners from (the West side of the State) and other areas, would be able to build structures that potentially could severely tax the water system. This is totally irresponsible on the part of the Planning Commission, when we are always under the threat of wild fires, and desperately need the maximum, water resource availability.

I am completely opposed to changing the 6% cap on the number of STR's.

I'm opposed to changing the rule that requires Tier 1 rentals to be owner-occupied.

I'm opposed to children under two being eliminated form the head count of occupancy.

I can't help but feel the Short-term Rental Association has a very strong grip on the Planning Commission, which is being swayed by the "special interests" of STR's versus what is the best and correct thing to do for the citizenry of Chelan County!

Please, do your job that the resident-citizens of Chelan County implore- and expect you to do. DO NOT allow any changes to occur with the STR rules!!

Respectfully,
Mahala Murphy-Martin

From:

Patti Bosket <patti@pattibosket.com>

Sent:

Monday, August 26, 2024 1:09 PM

To:

CD Comment

Subject:

STR code

External Email Warning! This email originated from outside of Chelan County.

I'm a 40 year resident in Leavenworth, I oppose any changes to our currant STR code.

Why do our county commissioners agree to changing, and

want to get rid of any restrictions all together??

We have such a shortage of housing, soon local business will not be able to have employees.

Why are you not seeing the long term effects, this has had on our community? Not everything has to be about money.

We have no infrastructure as it is now. No more changes.

Patti and Vince Bosket



From:

Linda Christianson < lindachristianson 77@icloud.com>

Sent:

Monday, August 26, 2024 3:42 PM

To:

CD Comment

Cc:

Linda Christianson

Subject:

STR input for unincorporated Chelan County

External Email Warning! This email originated from outside of Chelan County.

Hello

I live at Lake Wenatchee and object to your proposal to modify short term rental rules.

Romoval of the 6% cap, will almost certianly increase to more Rentals in our area-reducing options for resident housing.

Tier 1 Requirement change, allowing renters to manage Tier 1 rentals will result in Tier 1 rentals without Owners living on the property, negatively affecting neighborhoods cohesion.

Exclusion of children under two, will certainly lead to higher occucpancy in all STRs.

We worked so hard to eliminate the lax rules for unincorporated Chelan county earlier—and it seems we need to mobilize an address it again.

Please do NOT alter the current STR codes.

Linda Christianson lindachristianson77@icloud.com 206 355-0821

From:

Amy Cox <ac7cedarbrae@gmail.com>

Sent:

Monday, August 26, 2024 3:58 PM

To:

CD Comment

Cc:

Amy Cox

Subject:

Oppose Revisions Of Short Term Rental Code for Chelan County

External Email Warning! This email originated from outside of Chelan County.

To Whom It May Concern,

I am a property owner on the South Shore of Lake Wenatchee and strenuously oppose the proposed revision of the Short Term Rental Code for Chelan County. Specifically, I oppose the altering of the 6% occupancy cap, oppose eliminating the owner occupancy rule, and oppose excluding children under 2 years old from the occupancy limits.

Please deny the proposed changes of the Short Term Rental Code for Chelan County.

Thank you.

Amy Cox Sent from my iPhone

From:

Glenn Hoenes <ghoenes@nwi.net>

Sent:

Monday, August 26, 2024 4:53 PM

To:

CD Comment

Subject:

Proposal to Change Short Term Rental Requirements

External Email Warning! This email originated from outside of Chelan County.

Hello - I live at Lake Wenatchee on North Shore Drive. There are more than enough short term rentals under the present system. My daughter is being married in just two weeks. Guests have not had an issue getting accommodations. Just last week, my brother was able to rent a cabin (only 3 weeks before the weding) less than 2 miles from our house (where the wedding will occur). That says to me there is plenty of availability.

There is no reason to increase the number of short term rentals. It will only make the market less affordable. It will also impact long term rentals negatively.

Thanks for letting me comment. You may contact me at this email address or call me at (509)539-5329.

Glenn Hoenes

From:

Alexa Carver <alexazcarver@gmail.com>

Sent:

Tuesday, August 27, 2024 7:36 AM

To:

CD Comment

Subject:

Oppose change to STR Regulations

External Email Warning! This email originated from outside of Chelan County.

Hi,

As a property owner and taxpayer in the Lake Wenatchee area I want to register my opposition to the proposed changes to the Short Term Rental Regulations. Increasing the cap on these rentals above the current 6% adversely impacts the community-- having short term renters rather than neighbors is destroying our sense of neighborhood and changing our communities.

Thanks,

Alexa Carver, 16407 North Shore Drive, Leavenworth, WA 98826

From:

Arthur Schile <tois111@gmail.com>

Sent:

Tuesday, August 27, 2024 8:07 AM

To:

CD Comment

Subject:

Support of Proposal to Alter Short Term Rental Requirments

External Email Warning! This email originated from outside of Chelan County.

I am a property owner in the Lake Wenatchee area and believe that our county policies on STRs have become far too restrictive. These onerous policies suppress home values, decrease tourism, and lead to relatively poorly maintained properties. The restrictive policies are anti-business, anti-owners rights, and no longer represent the will of residents.

Sincerely, Arthur Schile Lake View Dr.

Sent from my iPhone

From:

James Haberberger < haberberger53@hotmail.com>

Sent:

Tuesday, August 27, 2024 8:39 AM

To:

CD Comment

Subject:

proposed changes to STR in unincorporated areas

External Email Warning! This email originated from outside of Chelan County.

To whom it may concern,

I am a resident of Leavenworth and I am opposed to any changes in the STR code that would result in an increase in the number of STRs in the County. We have a housing crisis and our housing stock must be preserved for the residents who need homes.

I am opposed to any change in the 6% cap on the number of STRs.

I am opposed to changing the rule which requires Tier 1 rentals to be owner occupied. The purpose of the Tier 1 classification was to allow homeowners to rent out an accessory dwelling unit or basement apartment so that they could realize some additional income to help them afford their homes. It was not intended to allow investors to buy up more homes in Chelan County.

I am opposed to excluding children under two from the head count for occupancy units. This change will result in more older children and adults in short term rentals.

In summary, I am discouraged and disheartened that the County is proposing such drastic changes in an ordinance that the community fought so hard to put in place. Why is Chelan County choosing to go backwards? We do not want any more commercial lodging in our neighborhoods. Tourist lodging should be located in commercial zoning!

Thank you for reading and digesting my comments.

A concerned citizen of Chelan County, James Haberberger 242 Park Ave Leavenworth, WA 98826

From:

Janet Alley <janet_alley@ymail.com>

Sent:

Tuesday, August 27, 2024 10:17 AM

To:

CD Comment

Subject:

STR

External Email Warning! This email originated from outside of Chelan County.

I am opposed to any changes in the STR code that would result in an increase in the number of STRs in the County. Let them know that we have a housing crisis and that our housing stock must be preserved for the residents who need homes.

I am very much opposed to any change in the 6% cap on the number of STRs.

I am very much opposed to changing the rule which requires Tier 1 rentals to be owner occupied. The purpose of the Tier 1 classification was to allow homeowners to rent out an accessory dwelling unit or basement apartment so that they could realize some additional income to help them to afford their homes. It was not intended to allow investors to buy up more homes in Chelan County.

This makes no sense and I am opposed to excluding children under two from the head count for occupancy limits. This change will result in more older children and adults in short term rentals.

Thank you, Janet Alley

From:

joe bill hill <joebillhill@gmail.com>

Sent:

Tuesday, August 27, 2024 10:21 AM

To:

CD Comment

Subject:

STR Code Change

External Email Warning! This email originated from outside of Chelan County.

Hello, and to whom it may concern,

I have lived in Chelan County for 7 years now and have seen dramatic changes in that short time. 3 of those years I lived next to an STR that I believe is a poster child for management geared solely towards income with no regard for the neighborhood. Furthermore, as local residents wanting to live long term here, my wife and I found it incredibly difficult to find a house to buy. I know there are many factors to this, but one that I attribute it to is housing being bought up and turned into an STR business, or a second home that is helped pay for by supplemental STR profits.

The time and effort put in by Residents Change Coalition of Chelan County and residents at large to put restrictions on STR's is fair and practical. Because of this I oppose the proposed changes to the STR code, including:

- The removal or increase in the 6% cap on the number of STRs
- The change in requirement that Tier 1 rentals could be managed by renters.

I have visited tourist towns such as South Lake Tahoe and seen positive codes put in place to limit the amount of disruption that STRs have the very real possibility to create, allowing neighborhoods to stay quiet, and allowing local residents to live in the setting they signed up for.

Thank you,

Joe Hill- Leavenworth resident

From:

Brunners Lodge <info@brunnerslodge.com>

Sent:

Tuesday, August 27, 2024 10:58 AM

To:

CD Comment

Subject:

STR Comments

Expires:

Thursday, July 31, 2025 12:00 AM

External Email Warning! This email originated from outside of Chelan County.

Dear Commissioner's and Planning Committee:

In regards to discussion about STR regulation changes.

I thought the Tier 1 had no cap because the owner needed to be there? This should continue to be the same.

The discussion by the county commissioners that was done in the spring about having a home and an ADU on the same property and one being used as an STR and requiring the other to be owner occupied is taking long term rental housing from the housing stock.

I am ONLY referring to Tier 2 & 3. Our state has passed law that <u>allows owners</u> NOT to have to live in either the main house OR the ADU, which could open up a few housing options should the owner decide to live somewhere else. This discussion got lost which Tier you were talking about. Tier 2 & 3 <u>does not require owners to be present</u>, but if there is an ADU on the property then you are requiring them to live in it full time. This is an override from the state could be taking housing available for Long Term Rentals. I believe the wording should be only 1 STR on one property. So, if the main house was an STR, then the ADU could be a Long Term Rental or Owner occupied.

I also agree with the change of Exclusion of Children Under Two in our permitted guest count. This is a constant struggle with what gain? Losing Families coming to the area?

Thanks,
Marianne Brunner
Property Owner
Brunners Lodge Inc
www.brunnerslodge.com

425-785-0889 A Perfect Leavenworth Getaway!

From:

Kathy Schmidt <kathleenschmidt@icloud.com>

Sent:

Tuesday, August 27, 2024 12:13 PM

To:

CD Comment

Subject:

Against changes to our Chealn Co STR Code

External Email Warning! This email originated from outside of Chelan County.

Dear Planning Commission:

It's hard to believe you are considering updating our current county STR code to allow for increased STR's in our already saturated nightly rental market at the demise of retaining some sense of community in our rural cities. I am a 30 yr resident of Leavenworth as well as a local business owner and employer.

Our Leavenworth community is tourist driven and we have sufficient overnight accommodations in place at the permitted hotels and lodging accommodations in the city and surrounding unincorporated county area, including STR's and campgrounds. Our town's physical size is constrained by the river and mountains that draws us all here... residents and tourists alike. The natural environment is at it's max and we do not heed more STR's to cram more bodies into town or the surrounding recreational areas. The area cannot accommodate the volume of bodies already coming to the area now on peak weekends and holidays. The forest service is not able to keep up with the impact to our public lands and we need to all take pause before its too late.

The current cap of 6% STR's s already generous in my opinion. There is more demand for affordable monthly rentals than we have to offer as is. Allowing more of the local housing market to switch to nightly rentals for tourism is not what the community wants or needs. There is a delicate balance here. We have the tourism already (at times exceeding our desires and capacity) and if we want to keep it, and keep our area desirable to return to, we need to keep the local community viable with affordable homes our workers supporting our business community can live in... not more STR's!

In addition to my opposition to increasing STR's in our County, I am against changing the rules in place about requiring Tier 1 rentals to be owner occupied. This tier was approved to allow owners of homes to have the ability to generate more income from their home property if desired. Allowing this caveat to be dropped and changed to allowing a renter of a home to manage the STR unit on the property may create the original problem all over again. Non-owner occupied properties within our communities filled with nightly tenants with no accountability to late night noise, trash, illegal parking, excessive occupancy limits etc. This puts the burden of "policing" our own neighborhoods again back on the permanent residents. We don't have a local city police to call for help with violators. The STR code was established to help neighborhoods return to some sense of community rather than the frustrated and angry place many had become due to abuse by non owner occupied properties.

I appreciate your time and full consideration to the impact the proposed changes could have on our county and our rural cities we call home.

Sincerely,

Kathy Schmidt PO Box 687 8201 Mountain Home Rd Leavenworth, WA 98826

From:

storks@frontier.com

Sent:

Tuesday, August 27, 2024 1:07 PM

To:

CD Comment

Subject:

Concerns surrounding Short Term Rental Regulation

External Email Warning! This email originated from outside of Chelan County.

Hello.

I am writing to express my concerns regarding the proposed changes to the 6% cap, the Tier 1 owner-occupancy rule and excluding children under two years old from occupancy limits.

Our family has a home in the Chiwawa river pines development and has seen what short-term rentals has done to the community. We would like to keep all current limitations in place in order to keep a small community feel as well as affordability for families wanting to buy and live in the area.

Thank you, Laura Stork

From:

Natalie Johnson < johnsonnat13@gmail.com>

Sent:

Tuesday, August 27, 2024 2:46 PM

To: Subject: CD Comment Code updates

External Email Warning! This email originated from outside of Chelan County.

Hello, I would just like to express my support for revising the short-term rental codes. Especially the provision to not include children under the age of two in capacity limits.

This is something that many other counties implement, and would be very beneficial for a short term renters and tourism in our county. We rely a lot on visitors to stimulate our economy, and bringing young families into the area is a critical part of that effort. Children under two should definitely not be included in those limits.

Thank you.

Natalie

From:

Alpine Lodge Leavenworth <info.alpineview@gmail.com>

Sent:

Tuesday, August 27, 2024 3:41 PM

To:

CD Comment

Subject:

Proposed STR Changes

External Email Warning! This email originated from outside of Chelan County.

Hello, I am privileged to have a Tier 2 grandfathered STR permit in Leavenworth and all has been running smoothly. I appreciate the structure the process and code has provided. I do wish that the matter would be settled just as much as you do.

I think the proposed changes are mostly well founded. I do take issue with:

Excludes infants under 24 months from Tier 1, 2, and 3 nighttime occupancy limits, but include on-site owners in these limits.

I am not an onsite owner right now but I am looking for a good potential Tier 1 opportunity because we are planning to move our winery business to Leavenworth/Peshastin and it would be a good opportunity and financially responsible for us to consider a Tier 1 situation in order to support our business and to be closer to our community and management of the winery and of the existing Tier 2 property. However, including onsite owners in the occupancy limits makes little sense to me. The owners are home to manage the occupants. I would venture to say that Tier 1 owners should be allowed a higher occupancy, not included in the occupants.

Likewise I would welcome the change to allow for a non-owner to be onsite to manage when necessary. I have often asked about this because I had hoped to purchase a home for my aging parents to live in and to offset other areas of the house to help pay for their home. Now that we are hoping to move there I think the change to allow non-owner would still be beneficial because at times we travel and I would like to have a manager (or mama) be onsite to keep things running smoothly.

A sign change to include reflective paint seems more of a nuisance to neighbors than a help. I have a beautiful custom painted sign but my property is rural and most don't see it until they come close to my house in the driveway. I can change it if necessary but reflective signs are just ugly.

Requiring annual inspections would be a huge nuisance for you guys. I'm not breaking any rules so I don't mind so much but it could end up a scheduling problem. Maybe require some other proof as needed? Time stamped photos?

Just a few thoughts. Thank you for your time.

Nova Chamberlain

From:

Dan Wheeler < wheeler.dan@outlook.com>

Sent:

Tuesday, August 27, 2024 7:06 PM

To:

CD Comment

Subject:

Full-Time Resident Opposition to STR Code Changes

External Email Warning! This email originated from outside of Chelan County.

Hello,

I've just received word that Chelan County is once again bending to the pressure and influence of STR owners to let them continue to exploit our community.

This needs to STOP. STR's serve nobody but the business owners exploiting our community who are usually people who don't even live here. How does this keep happening? Other cities and areas are moving towards total bans of STRs or extreme limitations because of all the problems STRs create but Chelan county is moving in the opposite direction? This reminds me of the Seattle stadium debacle or \$30 car tabs where the people spoke but the government ignored them and did what it wanted to because of the people in power who stand to benefit from the exploitation and disregard of the citizens.

Honestly, I see this as CORRUPTION. The residents have spoken but the government is not listening, and I can only assume there is dirty money and insider influence happening to explain the total disregard for residents' preferences. Nothing else makes sense why our elected officials would cave to the pressure despite so much opposition and so much data showing how bad STRs are for housing affordability, sense of community, safety and so many other basic, common-sense concepts that make a place nice to live for the residents.

This idea that STRs and tourism is needed to support the community is BS. We don't need this. Tourism will only ruin what we have.

This is about MONEY and who's making it.

I am strongly opposed to ANY relaxations of STR policy and firmly believe we should be doing the opposite and tightening restrictions to reduce the amount of STRs in our community.

Again - We don't NEED STRs. The idea that commerce and tourism are needed in our community is FALSE. The community can has and can continue to thrive in other ways that don't require taking on the negative impacts of STRs. It is NOT NECESSARY.

STRs only bring MORE business, MORE commerce, MORE people and MORE problems. We don't NEED any of those things. It's simply not necessary. There is no pre-destined agenda for Chelan county that requires growth and commerce. The only thing driving it is the desire of a few to make money.

We will be much better off and happier if we can avoid the trap of unsustainable growth and commerce.

From:

Jim & Nicole Wright <thewrightteam@gmail.com>

Sent:

Tuesday, August 27, 2024 8:29 PM

To:

CD Comment

Subject:

Opposed to STR code changes

External Email Warning! This email originated from outside of Chelan County.

To Whom It May Concern,

We are strongly opposed to any changes in the STR code that was established in 2021. It should be strongly considered that in several areas of the county we are still well over the 6% cap. Removing the cap would lock in or increase the number of STRs in our neighborhoods. As we have seen for ourselves over the last 10 years, too many STRs in an area has detrimental effects on those neighbors around them, which is why this code was put in place.

We are also against letting tier 1 rentals have tenants in them while the owner does not live there.

Additionally, children should be counted as a part of the occupancy rate. Each human, whether adult or child, takes up space in an STR. They use water, electricity, create garbage and noise. They should be counted.

We are extremely upset that the code is being reopened for reconsideration and modification. The proposed changes that are being considered are detrimental to neighborhoods, owner occupied homes, home buyers and tenants looking for looking for rental housing near where they work.

This code could and should have gone even further to regulate STR's and the current code which was long fought for was already a compromise in many ways. There is no justifiable reason for considering the proposed changes which will only benefit investors and those running STR's! We consider it the duty and responsibility of county officials to act on behalf of the majority, not on behalf of the financial gain of such a minority.

Respectfully,
Jim & Nicole Wright
2524 Kinnikinnick Dr
Leavenworth, WA 98826

Jim & Nicole Wright Windermere Real Estate/M2, LLC 425-478-2700 Jim 425-478-2616 Nicole

[&]quot;You Can't Go Wrong With Two Wrights"

From:

Carol Odom <vistaazulmanson@gmail.com>

Sent:

Tuesday, August 27, 2024 8:37 PM

To:

CD Comment

Subject:

Proposed STR Changes

External Email Warning! This email originated from outside of Chelan County.

We are STR owner operators and residents in Manson. We strongly support the allowance of infants under 24 months as not applied towards the occupancy limit. Those infants don't contribute to parking, noise and garbage issues that are typically complaints made.

Our guests with infants are some of best who follow the rules and regulations.

We also welcome and support the allowing parking within setbacks. This would allow us 2 additional guests in our 3100 SF STR with 5 bedrooms. We have sewer and plenty of space for 10 guests plus infants. Prior to the code we were licensed for 12 occupants and we have lost many bookings due to the new code.

One additional car is not required due to the number of bedrooms or sewer but allows for two more guests which we can easily accommodate.

These changes are reasonable and will not impact our neighbors.

Thank you for making these code changes!

David and Carol Odom Vista Azul Manson

From:

Theresa Platz <drplatz@msn.com>

Sent:

Tuesday, August 27, 2024 8:54 PM

To:

CD Comment

Cc:

Chris Platz; drplatz1@gmail.com

Subject:

Short term Rental Proposed changes

External Email Warning! This email originated from outside of Chelan County.

Dear Chelan County Planning Commissioners,

We are writing to express our strong opposition to the proposed change in the 6% cap on short-term rentals and Tier 1 rental requirement changes in our community. As long-term residents of Chiwawa River Pines, we are deeply concerned about the potential negative impacts these changes would have on the character and safety of our neighborhood.

Short-term renters often do not have the same level of investment in our community as permanent residents. This can lead to behaviors that are disruptive and reckless, such as excessive noise and disregard for local regulations. Additionally, many short-term renters may not be familiar with the specific risks associated with our area, including fire hazards and interactions with local wildlife. This lack of understanding can pose significant dangers to both the renters and the community at large.

Furthermore, increasing the number of short-term rentals can exacerbate the already challenging housing market for local workers. Many individuals who work in our community are finding it increasingly difficult to afford housing close to their place of employment. By allowing more short-term rentals, we are effectively reducing the availability of long-term housing options, making it even harder for these essential workers to live in the area they serve.

Maintaining the 6% cap on short-term rentals is crucial for preserving the safety, character, and affordability of our neighborhood. We urge you to consider the long-term implications of this proposed change and to prioritize the needs and well-being of our permanent residents.

Thank you for your attention to this important matter.

Sincerely,

Theresa and Chris Platz 2509 Kinnikinnick Dr Leavenworth, WA 98826

Ciliay Wright	
From:	Leavenworth Second Homes LLC <secondhomes98826@gmail.com></secondhomes98826@gmail.com>
Sent:	Wednesday, August 28, 2024 12:02 AM
To:	CD Comment
Subject:	STR CODE
•	
External Email Warning! This email of	originated from outside of Chelan County.
Chelan County Planning Comn	nission
Chelan County, WA	
Dear Members of the Planning	ş Commission,
imposed on short-term rental have been significantly impact	n County Planning Commission to reconsider the overly restrictive regulations recently s. These regulations are setting the county on a dangerous path, as many individuals who ted by the loss of revenue may pursue legal action. Several portions of the current code, and the county simply cannot afford the inevitable number of lawsuits that are likely to
opportunity to do just that. Th	nty is actively seeking ways to boost tourism, and short-term rentals provide an excellent ney attract visitors, generate revenue, and enhance the local economy. Restricting short-hese efforts, counteracting the county's goals for tourism growth.
	ning Commission to take these factors into consideration and re-evaluate the current al challenges and to help foster a more robust tourism economy in Chelan County.
Sincerely,	
Kirk Jensen	
,	

From:

Anika Ryka <anikaryka@gmail.com>

Sent:

Wednesday, August 28, 2024 12:26 AM

To:

CD Comment

Subject:

email from Anika on short term rentals

External Email Warning! This email originated from outside of Chelan County.

Planning Commission & Council,

I am writing to express my concerns regarding the current short-term rental (STR) regulations, specifically the 6% cap by zip code and other overly restrictive aspects of the code that I believe warrant reconsideration. While I understand and appreciate the county's intent to manage STR growth and ensure a balance between tourism and residential quality of life, the approach currently in place has unintended consequences that disproportionately target STR owners and, in some instances, appear unfairly discriminatory.

One of the key issues is the 6% cap per zip code on short-term rentals. This limit does not reflect the nuanced realities of different areas, the varying demand for STRs, or the economic benefits that STRs bring to Chelan County. Removing or adjusting this arbitrary cap could create a more flexible, balanced approach that encourages responsible STR management without stifling the local economy. Additionally, many areas of Chelan County rely heavily on tourism, and STRs provide an essential service to visitors while supporting local businesses.

Another concern is the inequitable enforcement of rules regarding occupancy based on septic system capacity. While it is understandable that septic limitations must be considered, STR owners are being disproportionately scrutinized compared to long-term rental owners or even non-rental homeowners. Long-term rentals and primary homeowners often exceed the septic limits without enforcement or oversight, yet they place a far greater burden on septic systems by residing year-round compared to short-term guests staying only for brief periods. This disparity is not only unjust but creates the perception that STR owners are being unfairly targeted.

The aggressive monitoring and enforcement of STR regulations, including the hiring of significant code enforcement personnel and the use of an online surveillance agency, feel like an overreach of governmental power. These measures give the appearance of surveillance targeting, akin to excessive monitoring based on religion or race. While it is clear that the county wishes to ensure compliance, such levels of oversight and the use of private agencies to monitor citizens feel overtly intrusive and unnecessary. The result has been a climate of fear and resentment among STR owners, who feel that they are being unfairly targeted by the county government.

I would urge the commission to reevaluate these aspects of the STR code and consider reforms that are more balanced, fair, and conducive to both protecting the county's infrastructure and supporting a thriving tourism economy. Removing the 6% cap by zip code and addressing the disparity in enforcement between STR and non-STR properties would be a good place to start. Furthermore, reducing the level of surveillance and enforcement to a more reasonable degree would help alleviate the sense of being unfairly targeted that many STR owners currently experience.

I appreciate the opportunity to share my concerns and hope that the Planning Commission will take them into consideration. The current code, while well-intentioned, needs adjustments to ensure that it is not unfairly penalizing a specific segment of property owners, but rather promoting a balanced approach that benefits the entire community.

From:

Lorie Witmer <gowitty@gmail.com>

Sent:

Wednesday, August 28, 2024 6:11 AM

To:

CD Comment

Subject:

Opposed to New STR Code changes

External Email Warning! This email originated from outside of Chelan County.

I am strongly opposed to any changes in the STR code that would result in an increase in the number of STRs in the County.

We have a housing crisis and that our housing stock must be preserved for the residents who need homes. I am opposed to any change in the 6% cap on the number of STRs.

I am extremely opposed to changing the rule which requires Tier 1 rentals to be owner occupied. The purpose of the Tier 1 classification was to allow homeowners to rent out an accessory dwelling unit or basement apartment so that they could realize some additional income to help them to afford their homes. It was not intended to allow investors to buy up more homes in Chelan County.

I live next to an STR where owner lives in Florida. They have no garbage plan so Bears are attracted and spread garbage over their property and my property.

They don't manage parking or snow plow in winter, they cheat and try to get as many renters as possible.

I moved over here to enjoy the beauty and serenity, not deal with 4 SUVs arriving nightly to an STR that is barely managed from afar.

Managing occupancy is a real issue, I am

Also opposed to excluding children under two from the head count for occupancy limits. This change will result in more older children and adults in short term rentals.

As a resident I want more STr code not less. Why are we moving backwards?

Lorie Witmer 206-799-6588

From:

Wendy McElhaney <wkmcelhaney@comcast.net>

Sent:

Wednesday, August 28, 2024 8:19 AM

To:

CD Comment

Subject:

Proposed STR changes - attn Planning Commission

External Email Warning! This email originated from outside of Chelan County.

Hi, I am writing to let you know that as a full-time resident of Leavenworth, I am opposed to the following changes proposed under the proposed STR code.

- 1. I am opposed to any changes in the STR code that would result in an increase in the number of STRs in the County. There is currently a housing crisis and people working in the area should be able to live here.
- 2. I am opposed to any change in the 6% cap on the number of STRs. There are already too many properties owned by people who's main interest is to make money, not preserve the community that the locals have to live in.
- 3. I am opposed to changing the rule which requires Tier 1 rentals to be owner occupied. Allowing people to rent out part of their property while making additional income supports the local population instead of outsiders that don't care about the community from a fulltime resident perspective.
- 4. I am opposed to excluding children under two from the head count for occupancy limits. All people should be counted. The town is already crowded enough. Even though children under 2 probably use less resources, then take seats in restaurants, go to the clinic/er for services and should be part of the STR rental count.

I moved here 3 years ago, but have been coming to visit my family for the last 30 years. The town has changed so much with tourists that are not invested in protecting and creating a community. Thanks for your time.

Wendy McElhaney 356 Hinthorne Ln Leavenworth, Wa 98826 206-276-4940

From:

Betsy Steele

birdrok@gmail.com>

Sent:

Wednesday, August 28, 2024 9:20 AM

To:

CD STRComment; CD Comment

Subject:

For today's STR hearing

External Email Warning! This email originated from outside of Chelan County.

Planning Commission and Chelan County Commissioners:

Years, thoughtful debate, compromise and plenty of public funding have been devoted to establishing the STR code we have now.

It has become (for most residents) a logical, fair, acceptable, and well-managed part of "the system."

Chipping away at it - undermining the Tiers to permit more vacationers, not counting babies and toddlers as people, allowing a live-in renter to "manage" the STR property are absurd change requests.

The current STR regulations are to protect and benefit the actual citizens of our county, not to enable outside interests and locals with the real estate wherewithal to convert housing to tourist playgrounds. The clamoring greedy minority, never satisfied with legal resolution - should be firmly reminded to play by the rules, as they were presumably taught in kindergarten.

Leave our STR code in place, drop this "request" and move on to more urgent issues. You, Commissioners and Development Department, should, frankly, be ashamed of pandering to the unbridled STR contingent - which, in the words of a James Bond nemesis, "....keeps returning with the inevitable persistence of an unloved season..."

Sincerely,

Betsy Steele

9348 Eagle Creek Road

Leavenworth 98826

509 860 8059

From:

Justin Gelb <jgelb88@gmail.com>

Sent:

Wednesday, August 28, 2024 9:06 AM

To:

CD Comment

Subject:

Opposition to STR Code

External Email Warning! This email originated from outside of Chelan County.

To whom it may concern

My name is Justin Gelb. I work, live and rent in Chelan county. And changing the STR codes will greatly affect affordability and livability of this area for me and my family.

- 1. I am opposed to any changes in the STR code that would result in an increase in the number of STRs in the County. Let them know that we have a housing crisis and that our housing stock must be preserved for the residents who need homes.
- 2. I am opposed to any change in the 6% cap on the number of STRs.
- 3. I am opposed to changing the rule which requires Tier 1 rentals to be owner occupied. The purpose of the Tier 1 classification was to allow homeowners to rent out an accessory dwelling unit or basement apartment so that they could realize some additional income to help them to afford their homes. It was not intended to allow investors to buy up more homes in Chelan County.
- 4. I am opposed to excluding children under two from the head count for occupancy limits. This change will result in more older children and adults in short term rentals.

Thank you

From:

Julie Douglas <julie-douglas@hotmail.com>

Sent:

Wednesday, August 28, 2024 10:35 AM

To:

CD Comment

Subject:

ZTA 24-325 - Proposed amendments to the Short-Term Rental Provision in the Chelan

County Code

External Email Warning! This email originated from outside of Chelan County.

Hi there

I hope I'm not too late to provide some feedback / comments about the proposed amendments to the STR provision.

We are **VERY supportive of any changes** to the code that lifts restrictions in the unincorporated areas of the county. I absolutely understand that people want to protect their neighborhoods but:

- We are a tourist town, that thrives BECAUSE of the tourists & the more lodging options made available the better
- We personally live on a 5-acre lot, are not a part of any neighborhood but have no viable STR options
- We pay our taxes & I believe we should be able to do what we want with our property (assuming we're withing code / safety requirements etc) -

A couple of ideas from other parts of the country I have lived in:

- In Florida they have a 'homestead' option to where you pay regular property taxes if it's your primary residence. If it's not your primary residence, you pay higher property taxes
- It would be great to have some type of exception process to where I could provide the details of our specific situation & if acceptable, have an exception granted. Most of the time one size does not fit all
- Impose an option that if you have been a primary resident in your property for at least 2 years, you have the option to apply for an STR this would discourage big developers from buying properties & driving up prices but provide an option for people (like us) who would like to keep their house but rent it.

Anyway, best of luck with the meeting & thanks for reading.

Best,

Julie Douglas & Brian Brockwell 8836 Canal Road, Leavenworth WA 98826

From:

Wendy Dodds < wendydodds@gmail.com>

Sent:

Wednesday, August 28, 2024 2:47 PM

To:

CD Comment

Subject:

STR Code for Chelan County

Follow Up Flag:

Follow up

Flag Status:

Flagged

External Email Warning! This email originated from outside of Chelan County.

As a full time resident and home owner in Chelan county I am in opposition of altering the 6% cap and changing the Tier 1 requirement. There are already too many nightly rentals in our community. Important word "community". We are trying to build one and it is very difficult with renters coming and going, day and night. Homes continue to be purchased as investments instead of "homes". This keeps prices elevated for people who want to live and work in the community.

WD

Mobile: 503-706-2947 www.wendydodds.com

From:

Chris Coz <dooitup1@gmail.com>

Sent:

Wednesday, August 28, 2024 1:58 PM

To:

CD Comment

Subject:

STR code change

Follow Up Flag:

Follow up

Flag Status:

Flagged

External Email Warning! This email originated from outside of Chelan County.

Hello,

I live on n shore drive and am expressing my disapproval of the proposal to increase the 6% cap on STR's and the exclusion of children under 2 in the number of occupants. All neighborhood owners in any county should not be inundated with the festive party, loud atmosphere that STR's bring. They also always have more people than the limit allows. You are getting plenty enough tax revenue from the current property taxes. Please reconsider. Chris Cosgriff

From:

kinderranch@nwi.net

Sent:

Thursday, August 29, 2024 10:23 AM

To:

CD Comment

Subject:

STR CODE - Please Do Not Allow any Reduction of the Current 6% Cap or Loosening of

Restrictions

External Email Warning! This email originated from outside of Chelan County.

Dear Chelan County Planning Commission,

I am writing to advise you that I am adamantly opposed to any removal of the current 6% cap on short term rentals in Chelan County. The county, its residents, and STR owners went through an extremely lengthy and laborious process just a few short years ago. Residents have expressed over and over the need for strong regulations on this issue due to problems experienced with STRs such as excessive noise and mountains of garbage invading residential neighborhoods. At the current level of short-term rentals in the Leavenworth area (which is still well over the 6% currently allowed in the county), there have been significant problems such as noise, garbage, conflicts, trespassing, and invasion of privacy.

I sincerely request that you do not fall prey to pressure from pro short term rental groups who have bottomless pockets and will spend whatever necessary to advance their mission to create as many STRs as possible for their personal enrichment. Leavenworth currently has more than plenty places for people to stay. Let's not further damage what is left of beautiful communities such as Leavenworth and Chelan. This is what the proposed change to the current code is really about – an easy way to gain oodles of money from the tourist towns. In the process, these cherished areas stand to suffer irreparable damage. My husband, Gene Kinder, concurs with my opinion on this matter.

Thank you,

Linda Kinder Leavenworth, WA

From:

William Gardner <donnabillgardner@msn.com>

Sent:

Thursday, August 29, 2024 5:18 PM

To:

CD Comment

Subject:

Short term rental regulations. Please NO changes!

External Email Warning! This email originated from outside of Chelan County.

Please!

Our housing shortage is critical and we need to address that, not increase the short term rentals. Please keep the STRs limited as they are now and any increase in visitor nightly rentals should go in the Commercial zoning areas. That is what hotels are for.

We are opposed to any changes in the STR code that will result in an increase in the number of STRs in the County. Please do NOT change the cap or increase the number of short term rentals in any way!

We do not need to try to wiggle around the occupancy limits that were set previously. We oppose changing the rules about age to exclude infants and toddlers. Everyone takes up space, uses utilities and creates noise. Please keep the regulations as they currently exist.

Tier 1 rentals must be owner occupied. The purpose of the Tier 1 classification is to allow homeowners to rent out an accessory dwelling unit or basement apartment so that they could realize some additional income to help them to afford their homes. Those are the people who live here and are a part of our community.

Thank you, William

From:

CD Comment

Sent:

Friday, August 30, 2024 11:37 AM

To:

Jessica K. Thompson

Subject:

FW: STR Regulations Concern

Follow Up Flag:

Follow up

Flag Status:

Flagged

To be sent to PC members

Deanna C. Walter, Director

Chelan County Community Development 316 Washington St Ste 301 Wenatchee, WA 98801 deannac.walter@co.chelan.wa.us 509-667-6228

From: dgann7@gmail.com <dgann7@gmail.com>

Sent: Friday, August 30, 2024 10:17 AM

To: CD Comment < CD.Comment@CO.CHELAN.WA.US>

Cc: dgann7@gmail.com

Subject: STR Regulations Concern

External Email Warning! This email originated from outside of Chelan County.

To Whom it May Concern,

I'm opposed to changing any of the rules regarding Short Term Rentals in Chelan County. It has taken time to implement the STR regulations and feel there is not enough experience to change the rules at this time. To allow non-owner occupied homes to be treated as owner occupied opens the door to abuse and increases the enforcement burden on County staff. Excluding children of certain ages from the occupancy limits is simply a way to increase occupancy limits, which I'm opposed to. I see no reason to change the regulations until we all have more experience with the existing regulations.

Thank You,
Doug Gann
12478 Shore St
Leavenworth, WA 98826
dgann7@gmail.com
(206) 419-8467

From:

Deanna C. Walter

Sent:

Friday, August 30, 2024 10:26 AM

To:

William Cagle

Cc:

Jessica K. Thompson

Subject:

RE: Hearing for Proposed Amendments to the Short-Term Rental Provision in the

Chelan County Code

Follow Up Flag:

Follow up

Flag Status:

Flagged

Received – we will forward to the Planning Commission.

Thanks,

Deanna

Deanna C. Walter, Director

Chelan County Community Development 316 Washington St Ste 301 Wenatchee, WA 98801 deannac.walter@co.chelan.wa.us 509-667-6228

From: William Cagle <frogdarts@gmail.com>

Sent: Friday, August 30, 2024 10:24 AM

To: Deanna C. Walter < Deanna C. Walter @CO.CHELAN.WA.US>

Subject: Hearing for Proposed Amendments to the Short-Term Rental Provision in the Chelan County Code

External Email Warning! This email originated from outside of Chelan County.

Dear Commissioners,

I am a resident of Manson. I have two STRs in my HOA of 10 homes. My wife and I as well as neighbors two houses down have thought of moving because of the impacts STRs have had on our lives. At some point our neighbor STR owners changed their procedures to attract more family type renters and things quieted down, but our other neighbors are dealing with less responsive owner-operators and have to put up with partiers. Even though we are less impacted than we were, there remains a large gap between having neighbors and having STRs.

I am strongly **opposed to the changes in Tier 1 definition** to add Manager/Operator to the requirements for Tier 1 status.

- It invalidates what is likely the *primary concept of Tier 1* and why it enjoys more freedom of application than the other tiers it presupposes that an onsite owner has much more motivation to ensure that renters are behaving, probably primarily to manage their own sanity and comfort. And it might even help people maintain and afford housing.
- This change has *no legitimate reason* for its proposal other than to subvert existing code in an effort to bypass limits that were originally proposed in order to have some reasonable rules for the STR development.
- This kind of change is really suggestive of how big business takes the long view as it grabs its foothold into its environment. The original code was the product of a great deal of negotiations for a long period of time, particularly pitting moneyed interests against what really amounts to the victims of its business. It was a reasonable compromise. It was scheduled to be revisited as it should be to work out kinks that were sure to show up. But like big business everywhere the review was an opportunity to destroy or subvert basic aspects of the code, the definition of Tier 1 being one of them. I am sure I was not the only person who was anticipating unfair and grossly improper adjustments to the code, as we all see how this plays out more broadly people are busy with their lives and it requires extra work to stay on top of such things, while moneyed interests work on long range plans to maximize their footholds with a slippery slope of pressure and recommendations. Just like with the recent death of the concept of AgriTourism this again is an opportunity to attack the most basic reasons for a particular code. Such change is an insult to the work of so many people over so many months that resulted in the original code.
- Our neighbors contacted their owner-neighbor over loud and obnoxious behaviors by the next door renters. The owner contacted the renters and got back to our neighbors with the basic message that the renters said they weren't making too much noise. End of story. That is the face of the Tier 1 proposed change.

I am likewise opposed to lifting caps on STR density. Is this even for real?

- What gets lost in translation is often the *reason* for the code; I really don't know the reason, the Residents Coalition suggests it had to do with a balance impacting housing affordability. Common sense tells me that having a cap on the density of STRs in a community is a way to throttle the impact STRs have on neighborhoods. You only have to go to a neighborhood on a Friday night in the summer that has a localized increase in STR density to see what the impact of STR density has.
 - o Dr. Brian Patterson's May 2021 article on *How Short-Term Rentals in Residential Areas Harm Communities* does an excellent job on describing the harm STRs have in our community. I have experienced those harms (have you, if that is a fair question?). The impact on social cohesion, the angst of fractured relationships with owner-neighbors, the loss of privacy, the impact of noise, the PTSD-like anticipation of the next hassle, the overall increase in nearby activity on a much more frequent basis than it would be if it was simply your neighbors living next door all erode the quality of life for us victims of STRhood.
 - If we just had neighbors next door, I could call them and ask to keep their party down because I had to work early the next day or because my spouse has a migraine and it would be a reasonable neighborly request even if the neighbors weren't doing anything egregious. A positive response to such a request is more likely to happen with neighbors than with renters, because of the social capital that Dr. Patterson references. But the moment we have to depend on *code* rather than *social capital* changes the relationship from a neighborly one to a distanced and antagonistic one. Instead of a call to the neighbors it is a call to the police or to the STR monitors and instead of looking at a response based on neighborly relationships we are more likely to deal with a response based on legalities. And we all know how life is when we have to depend on legalities—it is an antagonistic defensive place to live.

- I am not sure how the notion of lifting caps has anything to do with the Manson Community Council's reported request to lower the caps to 6% in keeping with the rest of the county. But lifting the caps is the very definition of such sayings as throwing the baby out with the bathwater. If the 9% cap was agreed upon as a trade for a 3 vs 5-year time limit for transferring licenses, then just deal with the time limit separately. They don't even belong together in the same sentence.
- My paranoia tells me that lifting caps is part of business' plan to erode the original code. My common sense tells me that lifting caps destroys yet another very basic aspect of the code that was hammered out over a long period of negotiations. DON'T DO IT.

It doesn't matter to me too much whether children under 2 are considered in the limits placed on the number of rentals for an STR. It makes sense that this is an impediment to owners when they seek to book a rental. This is not a core issue of regulation and it seems to be a perfect item for code change consideration that requires coordination with broader services such as fire, septic and health. And it does not radically change core aspects of code that was comprehensively worked out in a bipartisan manner!!

Finally I would just like to add some personal comments not related to any of the specifics of the code you are fine tuning (or coarse tuning as I worry about).

- It is very difficult to depend solely on graphs and metrics. I am at a disadvantage when I speak the language of personal distress and comfort in a setting of decibels and noise cut off times. Physicians have a difficult time when they attempt to assess pain, as it pits a personal expression of distress against measurable and objective findings. In the (not really) rarified atmosphere of being a judge making a ruling about codes it can be a challenge to hear the personal heartache that informs those of us who feel hurt by STRs and particularly to balance this against the interest of STR owners.
- Money talks and that is certainly at the heart of the issues. Please be aware of the power that money has on all interests involved, not only the owners of STRs but the businesses and the city itself. The pressure is on you to maximize money, a very real and immediate pressure, while you (hopefully) try to balance that against the much less obvious and pressing judgments of impacts to the community and how your decisions will shape the future. Be aware of the ways you might be influenced: physicians always thought they were immune to the advertisements and inducements of the pharmacy industry because they were smart and aware, but they were no more immune to advertisement than a child watching an ad for Minecraft Legos or a new sweet treat.
- Likewise when well-meaning organizations make a decision to cull a species or get rid of a supposed pest they often don't see the impacts it will have on the future. I know this example won't go down well, but this is the one where wolves were culled, leading to more deer who ate the bark off riparian trees which then led to a deficit of trees for beavers who made less dams which destroyed wetlands that were important to the whole system. Be aware of the downstream effects of your decisions. I recently visited with a relative in a small barrier island community in Florida that was attractive to visitors for its intimate, small town appeal and glorious sand, sun and hospitality. Fast forward to the present and the town is 80% STR, 16-person golf carts roam freely like pesky seagulls, cheap shops abound, home prices are through the roof and the intangible and metric-agnostic aspects of the community are gone, there is no community and the social capital is that of a strip mall.
- I don't see this as a bit of the code that is up for change but having the ability to transfer an STR license has a real downside. In my neighborhood it increased the sale price significantly beyond reasonable comparators. As we have seen more broadly in the Chelan area, just like the process of fission, the sale of one STR or second home followed by another has fed upon itself and produced an exorable upswing in the cost of housing. How much is the local community

benefiting from such currents? What is the end result of an individual STR – will the owners move into it when they retire (and if they do will they want an STR neighbor), and will the business-focused STRs keep selling to yet another investor at yet another price above what a plain old neighborhood price would be?

Thank you for the opportunity to vent my views on this subject. I am not paid to make these pitches and I don't have a lawyer being paid to make these arguments, and it takes time and emotional capital to (have to) defend myself this way. Given the uneven playing field between moneyed interests and us locals in the neighborhood, I think you should give us a handicap and count each one of our arguments as the arguments of 50 like-minded people.

William Cagle

92 Fishermen Pl

Manson

PS: And while we are at it, let's put a roller coaster on the Butte.

From:

Michael Muscari <michaelmuscari@hotmail.com>

Sent:

Friday, August 30, 2024 7:58 PM

To: Subject: CD Comment STR code changes

External Email Warning! This email originated from outside of Chelan County.

I heard today that the County is considering changes to the STR regulations. Unfortunately, I heard after the meeting this week. I hope this is the proper place to submit my opinions. I am very much in favor of eliminating the 6% cap on STR. I don't feel it is fair to allow some property owners to run STR and others are not allowed to because of the cap. Regarding the other two proposed changes; -renters running STR and -no limit on under 2yr old, I don't feel strongly for or against them.

Thank you. Michael Muscari 22909 Brown Road 98826 509-679-2685 Sent from cell

From:

Amy MacDonald <macdonaldamy@hotmail.com>

Sent:

Tuesday, September 3, 2024 6:29 AM

To:

CD Comment

Subject:

Do not change short term rental rules

External Email Warning! This email originated from outside of Chelan County.

To whom it may concern-

I live at Lake Wenatchee. I am very strongly opposed to changes to short term rental rules in Chelan county. Residents of Chelan county worked together for a very long time to create the current rules. Please respect the neighbors and neighborhoods in Chelan county who already evaluated, short term rentals and implemented the regulations that are currently in place.

In the United States, as well as all over the world there is evidence that the deregulation of short term rentals leads to the eroding of local communities, pressure on housing, pressure on resources, such as water, general overuse and sadly, often disrespect of existing communities.

Do not weaken, Chelan County's short term rental requirements. They were created with intent by the community.

Amy MacDonald

Get Outlook for iOS

From:

Residents Coalition of Chelan County <info@coalitionofchelancounty.org>

Sent:

Monday, September 2, 2024 2:16 PM

To:

CD Comment

Cc:

Deanna C. Walter; Kirsten Ryles
Information on Lodging Tax Trends

Subject: Attachments:

Recent Lodging Tax Trends in Chelan Co (8_29_24).pdf

External Email Warning! This email originated from outside of Chelan County.

Dear Members of the Planning Commission,

We have heard concerns about the recent declines in lodging tax revenue in parts of Chelan County. We believe that this is one of the primary motivations to make changes to the Chelan County short-term rental (STR) code to allow for more STRs in the unincorporated parts of the county.

When the STR code was being developed, it was understood that it would lead to some attrition in the number of STRs in the near term, especially for those areas around Leavenworth that were well above the cap on STR density in the code. So a commensurate decline in lodging tax revenue associated with STRs was expected. We believe that not only have these declines resulting from the new code stabilized, but that the lodging tax revenue declines are a fair trade for the benefits experienced by Chelan County residents by not having to contend with the uncontrolled growth of STRs in their neighborhoods.

The STR Task Force was set up in 2021 to find a balance between the interests of residents and those of STR owners/advocates. The adopted code reflects the tradeoffs agreed to by this Task Force including the requirement that Tier 1 STRs be owner-occupied and that a 6% cap on Tier 2 and 3 STRs be established for the unincorporated parts of the County except Manson (9%) and Peshastin (0%). We don't believe any of the fundamental drivers that resulted in Chelan County adopting a code have changed since 2021.

The attached document provides relevant data and context for lodging tax revenue trends in Chelan, Leavenworth, and unincorporated Chelan County. Please contact us with any questions or comments.

Thank you.

Kirvil Skinnarland
Residents Coalition of Chelan County (RC3)



Recent Lodging Tax Trends for Chelan and Leavenworth

There have been recent discussions about trends in lodging tax revenues for tourist areas such as Chelan, Leavenworth, and unincorporated Chelan County (which includes tourist areas surrounding Chelan and Leavenworth as well as all of Manson). This document attempts to summarize the actual trends and context for the most recent lodging tax revenues in these areas.

Data for this analysis were downloaded from the Washington Department of Revenue (DOR) website for Local Tax Distributions, Special Hotel/Motel Tax. This is the three percent lodging tax that is charged by both Chelan and Leavenworth and the two percent tax charged in unincorporated Chelan County. The tax distribution data are described by the DOR as follows:

Local tax distributions are funds sent to cities, counties, and other local governments by the Office of the State Treasurer. The Department of Revenue (Department) collects the local taxes then sends them to the correct local jurisdiction. Each distribution represents local tax amounts paid to the Department in the previous month. (Example: March 2021 distribution generally includes the January 2021 return due in February 2021). Distributions are monthly; however, if a business does not pay in full, local jurisdictions receive partial distributions until the business pays the full amount.

As stated above, the distributions are always two months behind when they are actually charged to the customer.

Table 1 (attached) provides the <u>calendar year</u> Special Hotel/Motel Tax distributions for Chelan, Leavenworth, and unincorporated Chelan County for 2019 through 2023. As shown, even though 2020 distributions were somewhat weakened by the COVID-19 pandemic (which started in early 2020) for both Chelan and Leavenworth, there was a very large surge in revenues in 2021 associated with the phenomenon of working remotely while lodging at a vacation destination (the so-called "workcation"). This led to outsized increases in Special Hotel/Motel Tax distributions of 45.8, 60.1, and 33.3 percent in 2021 for Chelan, Leavenworth, and unincorporated Chelan County, respectively.

As the COVID-19 pandemic waned and tourist air travel began to revive, annual increases in Special Hotel/Motel Tax distributions moderated as expected. Additionally, Chelan County implemented new regulations affecting short-term rentals in September of 2021, which likely decreased tax revenue growth in unincorporated Chelan County. Even with these factors, Special Hotel/Motel Tax distributions increased from 2019 to 2023 by 56.3, 83.5, and 15.2 percent for Chelan, Leavenworth, and unincorporated Chelan County, respectively.

Table 2 (attached) provides Special Hotel/Motel Tax distributions for <u>January through July</u> for Chelan, Leavenworth, and unincorporated Chelan County for 2019 through 2024. The effect of the pandemic in early 2020 is even more pronounced in these data due to the initial reaction of the public to not even take driving trips to other areas. The rapid resurgence in the willingness of

¹See for example https://hospitality.economictimes.indiatimes.com/news/speaking-heads/rising-trend-of-workcations-the-marriage-of-travel-and-remote-work/100845479.



tourists to drive to resort destinations is easily seen by comparing the first seven months of 2020 to the annual totals for 2020, where the comparisons to 2019 are much improved. And the surges seen in 2021 were exceptional for the seven-month period examined in Table 2, even more so than the annual increases in Table 1.

So, what is the trend for Special Hotel/Motel Tax distributions so far in 2024? Table 2 does show that through the first seven months Special Hotel/Motel Tax distributions declined 19.7 and 4.6 percent relative to the same period in 2023 for Chelan and Leavenworth, respectively, though only by 0.8 percent for unincorporated Chelan County. Keeping in mind that Special Hotel/Motel Tax distributions are roughly two months behind when they are charged to customers, this decline in Chelan cannot be blamed on the Pioneer Fire, which likely affected Chelan, but not Leavenworth, starting in early June.

The impact of the 2021 short-term rental code can likely be seen in the declines in Special Hotel/Motel Tax distributions in 2022 and 2023 as the code was implemented. Short-term rentals operating illegally were forced to shut down and others may have simply chosen to no longer operate under the new code. Based on the data in Table 2, it would appear that any declines in Special Hotel/Motel Tax distributions associated with the new code in unincorporated Chelan County have now stabilized.

Since the 2021 short-term rental code does not affect short-term rentals in Chelan or Leavenworth, it should have no impact on Special Hotel/Motel Tax distributions in those cities. And in fact, there are no such declines discernable in the 2022 and 2023 data.

To some degree, the declines seen so far in 2024 could simply be an unwinding of the pandemic trend of people taking "workcations" and a return to a normal trendline. Based solely on the data herein, it is not possible to say for sure what is causing the recent declines in Special Hotel/Motel Tax distributions, particularly in Chelan, where the decline is more pronounced.

Table 3 (attached) compares the Special Hotel/Motel Tax distributions from 2024 to those from 2019 (prior to any impacts from the COVID-19 pandemic). Over that five-year period, Special Hotel/Motel Tax distributions increased by 52.3, 83.5, and 16.6 percent for Chelan, Leavenworth, and unincorporated Chelan County, respectively. So, in fact, Special Hotel/Motel Tax distributions have <u>increased</u> in all areas analyzed over the five-year period ending in July 2024.

It is impossible to know exactly what impact the 2021 short-term rental code has had on Special Hotel/Motel Tax distributions in unincorporated Chelan County based only on the numbers provided here. We do know that even with the new code, Special Hotel/Motel Tax distributions increased from 2019 (before the code and the pandemic) to July of 2024. It is likely that these distributions would have grown even more without the code, but without more data we cannot say by how much.

In exchange for whatever the loss in Special Hotel/Motel Tax distributions due to the short-term rental code might be, residents of Chelan County can expect in exchange more peaceful neighborhoods, lower housing costs, higher levels of volunteerism and community, better access to local amenities, and less traffic.

Table 1. Summary of Annual Special Hotel/Motel Taxes Distributed (3% Lodging Tax)

City	Amount Distributed for Calendar Year									
	2019	2020	Change**	2021	Change**	2022	Change**	2023	Change**	
Chelan	\$785,719	\$814,042	3.6%	\$1,187,262	45.8%	\$1,210,811	2.0%	\$1,228,209	1.4%	
Leavenworth	\$1,440,268	\$1,266,720	-12.0%	\$2,027,550	60.1%	\$2,243,737	10.7%	\$2,587,824	15.3%	
Chelan County*	\$1,031,355	\$1,198,829	16.2%	\$1,598,143	33.3%	\$1,368,671	-14.4%	\$1,188,081	-13.2%	

^{*} Unincorporated Chelan County.

Table 2. Summary of Special Hotel/Motel Taxes Distributed January - July (3% Lodging Tax)

0.0	Amount Distributed for Jan - Jul for Each Year										
City	2019	2020	Change**	2021	Change**	2022	Change**	2023	Change**	2024	Change**
Chelan	\$206,492	\$136,253	-34.0%	\$359,005	163.5%	\$347,311	-3.3%	\$391,496	12.7%	\$314,466	-19.7%
Leavenworth	\$717,230	\$576,556	-19.6%	\$1,000,214	73.5%	\$1,156,507	15.6%	\$1,380,205	19.3%	\$1,316,331	-4.6%
Chelan County*	\$423,745	\$381,767	-9.9%	\$764,612	100.3%	\$641,987	-16.0%	\$498,033	-22.4%	\$494,200	-0.8%

^{*} Unincorporated Chelan County.

Table 3. Percent Change in Special Hotel/Motel Taxes in 2024 vs. the Comparable Months in 2019

City	Amount Distributed for Jan - Jul for Each Year					
City	2019	2024	Change**			
Chelan	\$206,492	\$314,466	52.3%			
Leavenworth	\$717,230	\$1,316,331	83.5%			
Chelan County*	\$423,745	\$494,200	16.6%			

^{*} Unincorporated Chelan County.

^{**} Percent change from previous year.

^{**} Percent change from previous year.

^{**} Percent change between 2019 and 2024.

From:

Max Walker < maxwell.a.walker@gmail.com>

Sent:

Tuesday, September 3, 2024 6:53 PM

To:

CD Comment

Subject:

Support for Relaxing the 6% STR Cap to Encourage Fair Access and Economic Growth in

Chelan County

External Email Warning! This email originated from outside of Chelan County.

Dear Members of the Planning Commission,

As a property owner and taxpayer in Chelan County, I am writing to express my strong support for relaxing the current regulations on Short-Term Rentals (STRs), particularly the 6% cap. I believe this cap unfairly benefits legacy property owners at the expense of new residents and the broader economic health of our community.

- 1. Removal of the 6% Cap: The existing 6% cap on STRs creates an artificial scarcity that benefits a select few at the expense of the many. By removing this cap, we can foster a more equitable and open market, allowing more property owners to participate in the STR economy. This would not only diversify income opportunities for residents but also attract more visitors, boosting local businesses and the overall economy of Chelan County.
- 2. Flexibility in Management of Tier 1 Rentals: The proposed change allowing renters to manage STRs is a necessary adaptation to the realities of modern property management. Renters, like owners, have a vested interest in maintaining property values and ensuring good relations within neighborhoods. This change would enable more people to benefit from STRs without unnecessarily restrictive barriers.

In conclusion, I urge the Planning Commission to consider these changes favorably. Relaxing the 6% STR cap and other restrictions is essential for fostering a fair, thriving, and economically vibrant community that benefits all property owners, not just a select few.

Thank you for your attention to this important matter.

Sincerely,

- Max Walker