



PLANNING COMMISSION AGENDA

Regular Meeting Date: 02/02/2022

BY REMOTE PARTICIPATION ONLY

JOIN HERE <https://us02web.zoom.us/j/89555857672>

Meeting ID 895 5585 7672 Call in number 1-253-215-8782

Planning Commission Meeting:

First Wednesday of every Month @ 6:00pm

Planning & Community Development Department

1812 Main Street
Lake Stevens, WA
98258 (425) 622-9430
www.lakestevenswa.gov

Municipal Code
Available online:

www.codepublishing.com/WA/LakeStevens/

• CALL TO ORDER 6:00pm

Pledge of Allegiance

• ROLL CALL

• GUEST BUSINESS

• ACTION ITEMS

1. Elect Officers
2. Approve Minutes from 12-1-2021

DISCUSSION ITEM

1. 2nd Briefing: Short Term Rental (Tourist Home)
2. Urban 3 results

Planner Needham
Director Wright

COMMISSIONER REPORTS

PLANNING DIRECTOR'S REPORT

ADJOURN

SPECIAL NEEDS

The City of Lake Stevens strives to provide accessible opportunities for individuals with disabilities. Please contact City of Lake Stevens ADA Coordinator, at (425) 622-9419 at least five business days prior to any City meeting or event if any accommodations are needed. For TDD users, please use the state's toll-free relay service.

PLANNING COMMISSION

MEETING MINUTES



REMOTE PARTICIPATION

12-01-2021

CALL TO ORDER: 6:00 pm by Chair John Cronin

MEMBERS PRESENT: John Cronin, Mike Duerr, Janice Huxford, Todd Welch, Jennifer Davis, Linda Hoult and Vicki Oslund

MEMBERS ABSENT: None

STAFF PRESENT: Planning Manager David Levitan and Associate Planner Needham

OTHERS PRESENT: Councilmember Gary Petershagen

Chair Cronin called the meeting to order at 6:00 p.m. and led the Pledge of Allegiance.

Roll Call: All present

Guest business: None

Approval of Minutes: Minutes of 11-01-2021 were approved. Motion by Commissioner Huxford, seconded by Commissioner Davis (7-0-0-0).

Discussion Items:

Short Term Rentals: Associate Planner Needham introduced potential amendments to the city's Short Term Rentals (Tourist Homes) code, which was adopted in 1998 but has not been updated since. She asked commissioners to weigh in on a number of questions that were included in the staff report, including permitting requirements, limitations on size and quantity, and parking. In general, commissioners did not feel that an ad hoc committee was needed for the project and asked that staff do additional research on existing regulations in other jurisdictions (including several specific cities/counties) and bring those results back for another briefing.

2022 Long Range Work Program: Planning Manager Levitan provided an overview of the proposed 2022 Long Range Planning Work Program, which includes a number of carryover code amendments from the 2021 program as well as several new code amendments, the annual Comprehensive Plan docket, development of a grant-funded Housing Action Plan, and development of a photographic inventory and user's guides for shoreline development. Commissioners were generally supportive of the

proposed work program, which was subsequently reviewed by the Council during a joint Commission/Council meeting.

Commissioner Reports: Commissioner Huxford asked about a development project on 91st Ave SE. Commissioners thanked staff for their efforts and the quality of presentations this year.

Director's Report: Planning Manager Levitan clarified that there would be no second meeting in December.

Adjourn: Moved by Chair Cronin, seconded by Commissioner Hoult to adjourn the meeting at 7:03 p.m. On vote the motion carried (7-0-0-0).

Jennie Fenrich, Planning Commission Clerk

DRAFT



Staff Report Lake Stevens Planning Commission

Planning Commission Briefing

Date: **February 2, 2022**

Subject: **Short Term Rental Code Amendment Briefing**

Contact Person/Department: Jill Needham, *Associate Planner*

SUMMARY:

Staff has conducted additional research for a city-initiated land use code amendment to the City's tourist home (more commonly known as short term rentals) regulations ([LSMC 14.44.064](#)), which was introduced to the Planning Commission on December 1, 2021 and is included on the 2022 Long-Range Planning Work Program. Staff will provide an overview of how other cities are regulating short term rentals (STRs), which is summarized in the attached spreadsheet (Attachment 1).

ACTION REQUESTED OF PLANNING COMMISSION:

This is an informational briefing and no action is requested at this time. Commissioners are asked to provide feedback on desired code elements for staff to incorporate into draft code language that it plans to bring back for Commission review at their March 2022 regular meeting.

BACKGROUND / DISCUSSION:

The city adopted supplementary use regulations for tourist homes in 1998 ([LSMC 14.44.064](#)), which have remained unchanged even as the popularity of short term rentals (STRs) has increased exponentially. Commissioners reviewed the existing code language during an initial briefing on [December 1, 2021](#) and responded to a series of questions posed by staff. Commissioner feedback included:

- The code amendment should not require the formation of an ad hoc committee, as commissioners felt it was their role to help develop and review the code language;
- STRs should not be limited by quantity or square footage, given the relative scarcity of STRs in Lake Stevens when compared to other jurisdictions;
- There should not be different regulations for the Waterfront Residential (WR) zone, which currently makes up the majority of STRs found on sites like AirBNB and VRBO;
- Staff should look at regulations in a number of other jurisdictions, with specific discussions of Manson, WA (an unincorporated community on the east side of Lake Chelan) and Lake Oswego, OR; and
- More time and information was needed to make an informed recommendation on whether or not unhosted STRs (renting out of an entire residential unit) should be permitted and/or subject to different regulations.

In response, staff has reviewed codes from a number of other cities and counties and compiled them into a summary spreadsheet (**Attachment 1**). Below are key categories for discussion:

- *Hosted (Owner occupied) vs Unhosted (unoccupied):* Attachment 1 shows that some cities such as Cle Elum, Milwaukie, and Everett allow full dwelling units to be rented (unhosted rentals) while others do not. Most cities that do allow STRs within full dwelling units also require an annual license, sometimes in addition to a state and city business license. Milwaukie distinguishes between "short term rentals" and "vacation rentals" and requires a conditional use permit for

unhosted rentals in residential zones where the owner does not live on the property at least 270 days per year ([MMC 19.905.9\(H\)](#) and [Table 19.301.2](#)).

Cities that do not allow full dwelling units to be rented out on a short term basis (less than 30 days) typically cite long-term workforce housing concerns. This is a concern commonly expressed in tourist destinations, such as Hood River, OR.

- *Quantity and Location.* Of the cities sampled, most did not regulate by quantity or location. Milwaukie regulates by the number of days per year, with the maximum for unhosted rentals being 90 days for STRs. Quantity caps are more common in tourist destinations, such as San Juan County.
- *Permit Process.* Cities use a variety of different permit processes for approving STRs. Some only require a business license (or home occupation if an occupied unit), while others require an annual operation license or even a CUP. Currently, Lake Stevens requires an ACUP for owner occupied units. Whether the commission opts for an annual approval license system or a one-time permit process, staff recommends requiring notification to nearby owners. Jurisdictions such as Milwaukie also require a building inspection prior to issuance of a STR home occupation license.
- *Occupancy.* Maximum occupancy for each STR varies. Currently Lake Stevens imposes a maximum of five bedrooms, or a maximum of 25% of the total floor area of the home. Some cities also impose a maximum number of occupants such as two per bedroom or eight in total. Others, such as Cle Elum, determine occupancy on a case-by-case basis based on the fire code. Milwaukie limits STRs to two separate parties. Some STRs posted to AirBNB also advertise living space for sleeping. For fire code compliance, staff recommends a maximum of two occupants per bedroom only.
- *Parking.* In cities similar to Lake Stevens, required parking for occupied units is generally two stalls for the primary residential use and one parking stall per rented bedroom. For unoccupied units, parking required is generally one stall per rentable bedroom.

Commissioners are asked to provide feedback and direction on the code amendment process and topics. Staff is looking to prepare draft code language for review at the Commission's March regular meeting.

Attachments:

1. Short Term Rental Regulations in Other Cities (Spreadsheet)

City	Link	Process/Permit zone	Unhosted Rentals Allowed?	Maximum guests	Parking	Location/Area Limits	Duration Limits	Signs	Other regulations
Cashmere	CMC 17.58.170	Commercial Zones	No, occupied only	N/A	1 space per bedroom plus spaces for SFR use. Parking behind the front setback must be screened	N/A	14 days	N/A	
Chelan (City)	CMC 5.15	Annual License	Yes, must have local contact person	N/A	3 parking stalls 1 for onsite owner and 1 per rented bedroom	N/A	N/A	N/A	
Chelan County	CCC 11.88.290	<u>Varies by Tier</u>	Yes with Tier 2/3 permit	Varies based on tier	Fire Dept determines case by case	Requires permit Must be separated by 250 feet between parcel 2 boundaries	15 days for Tier 1		Limited to 3 per owner, robust safety standards and inspection, requires insurance
Cle Elum	CEMC 17.160	Annual License	Yes, must have local contact person	N/A	No increase in parking demand shall occur 1 space per rental room if street does not have adequate parking 3 spaces for sites with on street parking in front, 4 spaces for sites	N/A	N/A	N/A	
Clyde Hill	CHMC 5.20	Approved under the business license	Yes	N/A	8 without street parking N/A	N/A	N/A	Not allowed	
Edmonds	ECC 20.23	Two or less bedrooms: secondary use.Two or more: CUP	No, occupied only	N/A	5 bedrooms Maximum number allowed by fire code	N/A	30 days	Regulated in 20.60 EDC	No weddings or gatherings
Everett	EMC 19.08.150	Permitted in all residential zones	Yes	N/A	8 without street parking N/A	N/A	N/A	Not allowed	Must have business license
Lake Oswego, OR	LOMC 50.03.004	Home occupation license	No, occupied only Yes, limited to 95 days per year. ADU properties	N/A	1 space each guest room	N/A	N/A		No weddings or gatherings
Milwaukie, OR	MMC 19.507.5	Business license		2 "rental parties"	N/A	N/A	95 days	N/A	N/A One non-illuminated or externally illuminated
Yakima	YMC 15.09.080	Business License/Home Occupation	No	N/A	N/A	N/A	N/A	N/A	Weddings and gatherings permitted under Director approval on a case by case basis
Seattle	SMC 23.42.060	Short term rental operator's annual license	Yes	N/A	N/A	N/A	N/A	Yes	Business License required