

ORDINANCE NO. 474

AN ORDINANCE OF THE TOWN OF SKYKOMISH, WASHINGTON, ADOPTING A ZONING CODE AMENDMENT ON THE OF ESTABLISHMENT SHORT-TERM RENTAL ACCOMMODATIONS IN ALL R-10,000, R-5,000, COMMERCIAL AND HISTORIC COMMERCIAL ZONES AND THE LICENSING AND PERMITTING THEREOF, AND CREATING A NEW CHAPTER 18.16 OF THE SKYKOMISH MUNICIPAL CODE; AMENDING SMC 5.05.0030: AMENDING SMC 18.10. 562: **PROVIDING FOR** SEVERABILITY; AND ESTABLISHING AN EFFECTIVE DATE.

WHEREAS, the Town of Skykomish Municipal Code ("SMC") contains regulations for the establishment of short-term rental accommodations; and

WHEREAS, the SMC provisions for short-term rental accommodations were originally adopted in 2012 by Ordinance 433; and

WHEREAS, short-term rentals are subject to state regulations including WAC 458- 20-166, WAC 458-20-211, and RCW 64.37; and

WHEREAS, in recent years the ease of renting rooms and homes for shortterm rentals has increased due to the growth and popularity of internet-based services for short- term rentals including but not limited to Airbnb and VRBO which may negatively affect adjacent properties, the stock of affordable housing within the Town, and the Town overall in ways not previously contemplated; and

WHEREAS, the Comprehensive Plan adopted in 2015 includes Policy LU-P12 that states "The Town of Skykomish development regulations shall enable increases in local business activity by allowing short-term rentals in residentially zoned areas"; and

WHEREAS, the Comprehensive Plan adopted in 2015 includes Goal HU-G1 to "Provide a range of housing types to encourage an adequate choice of living accommodation for all current and future residents of Skykomish"; and

WHEREAS, a review of short-term rentals available in the Town indicates a growing number of property owners are considering renting their residential properties for short-term rentals; and

A GREAT NORTHERN TOWN



WHEREAS, the Town Council recognizes the current SMC provisions regarding short-terms rentals do not establish licensing procedures, review criteria, noise and occupancy control, or other measures to mitigate the potential impacts of short-term rentals related to issues such as parking, noise, and property maintenance; and

WHEREAS, pursuant to the provisions of RCW 36.70.795 and RCW 36.70A.390, the Skykomish Town Council did adopt Ordinance No. 471 on July 27, 2020 placing a six- month moratorium on the establishment of short-term rentals to study the impacts of such uses; and

WHEREAS, the Skykomish Planning Commission received initial information and held numerous public meetings to review and gather additional information and scope regarding regulating short-term rentals; and

WHEREAS, after providing at least seven (7) days of public notice, the Planning Commission conducted a public hearing on September 25, 2020; and

WHEREAS, the Town is organized under chapter 35 RCW and authorized to adopt ordinances for the public health and welfare of its citizens; and

WHEREAS, to promote the public health, safety and welfare the Town Council deems it appropriate to amend the zoning code regarding short-term rentals;

NOW THEREFORE, THE TOWN COUNCIL OF THE TOWN OF SKYKOMISH, WASHINGTON, DO ORDAIN AS FOLLOWS:

Section 1. New Chapter 18.16, Adopted. A new Skykomish Municipal Code Chapter 18.16, to be entitled "Short Term Rentals", is hereby adopted to read as set forth in Exhibit A, attached hereto and incorporated herein by this reference as if fully set forth herein.

Section 2. Amendment of SMC 5.05.0030. SMC 5.05.0030 (Persons subject to license) is hereby amended to read as set forth in Exhibit B, attached hereto and incorporated herein by this reference as if fully set forth herein.

Section 3. Amendment of SMC 18.10.562. SMC 18.10.562 (Definition for Short-term rental) is hereby amended to read as set forth in Exhibit B, attached hereto and incorporated herein by this reference as if fully set forth herein.

A GREAT NORTHERN TOWN



Section 4. Severability. Should any section, paragraph, sentence, clause or phrase of this Ordinance, or its application to any person or circumstance, be declared unconstitutional or otherwise invalid for any reason, or should any portion of this Ordinance be pre-empted by state or federal law or regulation, such decision or pre-emption shall not affect the validity of the remaining portions of this Ordinance or its application to other persons or circumstances.

Section 5. Effective Date. This Ordinance shall be published in the official newspaper of the Town, and shall take effect and be in full force five (5) days after the date of publication.

ADOPTED by Town Council and APPROVED by the Mayor this <u>26th</u> day of January , 2021					
	,	Tow	n of Skykomish		
		Ву	Henry Sladek Henry Sladek, Mayor		
ATTEST:		APPROVED AS TO FORM:			
Ву	Desírae Bearden Desirae Bearden, Clerk-Treasurer	Ву	Hillary Evans Hillary Evans, Town Attorney		
Date	Date of Publication: 1/26/21				



CHAPTER 18.16 SHORT TERM RENTALS

18.16.010. Applicability. All short-term rentals (STRs) must be inspected by the Building Department and issued an STR license before being offered for rent.

- 1. Short-term rentals are allowed in the following zones:
 - a. Low Density Residential (R-10,000)
 - b. Moderate Density Residential (R-5,000)
 - c. Commercial (C)
 - d. Historic Commercial (HC);
- 2. The Town is further subdivided into seven (7) districts with individual capacity limits on the number of short-term rentals permitted to operate concurrently, not to exceed a total cap of 18, as determined by the Short-term Rental District Capacity Map which shall be formally adopted and display the adoption date and ordinance number. The capacity limits do not apply within the Commercial and Historic Commercial Zones.
- 3. No person, firm, corporation shall advertise or operate a short-term rental within the Town without having first obtained a short-term rental license from the Town.

18.16.020 Licensing and Fees.

- 1. STR applicants must apply for an STR license. The licensee for an STR under this Section shall be the property owner. Unless renewed, the STR license shall expire annually on May 1.
- 2. Beginning February 1, 2021, STR licenses will be processed on a first come, first served basis to new License applicants, after allowing for those previously legally licensed (vested) STRs which already exist. Once the number of new license applications exceeds the cap allowed in each District (after allowing for those already existing and vested), applications shall be selected at random from the Wait List for processing. For each year thereafter, renewal applications shall be submitted between April 1 and April 15th each year in order to be considered for the next licensure term. Renewal applications for existing Licensed Properties shall be processed prior to the issuance of any new license to ensure that the District caps are not exceeded.



- 3. Town administration shall review the STR license application and if it complies with all zoning requirements and licensing review criteria and District caps have not been met, town administration will issue or renew an STR license. The approval may include reasonable conditions to ensure that the provisions of this chapter are achieved. If denied, the reasons for denial shall be stated in writing.
- 4. An STR license may be renewed if the responsible party meets renewal requirements including:
 - a. Paying the renewal fee.
 - b. Having been deemed by the City to be in substantial compliance with the provisions of this chapter for the past year.
 - c. Providing written confirmation as to how many complaints related to the operation of the short-term rental occurred and how resolved.
 - d. Documenting and describing any changes that have occurred to the information on the current short-term rental application.
 - e. Additional renewal inspection requirements as may be necessary.
- 5. The Town will hold and maintain a "wait list" of additional applicants and make selections at random when allowed by availability.
- 6. The applicant may make an appeal to the Town Clerk in writing of the approval, denial, or conditions of an STR license within 14 days of the determination.
- 7. Prior to receiving a license for a new STR, the applicant shall be required to have the prospective STR inspected by the appropriate departments of the Town and to ensure compliance with building, fire, municipal and health codes including but not limited to:
 - a. Short-Term Rental Property Inspection
 - b. Certified septic inspection
 - c. Outdoor burn permit for any outdoor fire facilities
- 8. For properties on septic systems, the Maximum Occupancy of each STR license shall be based on septic capacity as determined by a certified septic inspection.





- 9. Fees will be defined by the Short-term Rental Licensing Guidance document, which can be updated up to once annually by the Town. The Town is authorized to collect the following:
 - a. License administration fee;
 - b. Property inspection (and re-inspection, if necessary) fee;
 - c. Annual renewal fee;
 - d. Appeals fees; and
 - e. Sales and lodging tax.

18.16.030. Additional Regulations on Short-Term Rentals.

In addition to the regulations in the Skykomish Municipal Code, short-term rentals are also subject to the regulations and taxations required by the State of Washington as described in WAC 458-20-166, WAC 458-20-211, and Chapter 64.37 RCW.

18.16.040 Responsible Party.

The applicant or designee may be deemed the responsible party. The responsible party must be a property management company, realtor, lawyer, owner, or other individual who resides within a one-hour drive of the property. Both the Applicant and the Responsible party are jointly and severally liable for the failure to properly manage the rental during occupancy. The name, address and telephone number(s) of the responsible party must be submitted with the short-term rental application.

18.16.050 Licensing Review Criteria.

The authorized STR must be properly sited, managed, and maintained. As a condition to holding a valid license, the licensee agrees to provide or arrange for adequate property management services. In determining whether or not an STR license for rental authorized under this Section shall be issued, the application shall be reviewed to see if, in addition to standards and conditions applicable to issuance of all business licenses, the following conditions and standards are met:



1. Management and Maintenance Criteria

- a) The responsible party must be available by telephone, or otherwise, twenty-four (24) hours per day, and must be able to respond to telephone inquiries about issues related to the use of the rental within thirty (30) minutes of receipt of such inquiries. The responsible party is also designated as the agent for receiving all official communications under this Title from the Town of Skykomish. If the licensee is a property management company or individual other than the owner, such company or individual must comply with applicable Washington State law, which requires those who receive valuable consideration to manage property to have a state license;
- b) A Washington State Department of Revenue number and Town of Skykomish STR License are required for the rental operation. This number may be the sales tax accounting number used by the property management company responsible for the property, or may be specific to the property, but no license will be effective until the sales tax number is provided;
- c) The STR shall not exceed maximum permitted occupancy at any time;
- d) A sign must be posted conspicuously inside the rental to provide information on the following:
 - i. The street address of the property
 - ii. Maximum occupancy of the property
 - iii. Twenty-four-hour contact information for the responsible party
 - iv. Contact number and address of Townhall
 - v. Instructions for guests to please also review the Property Guidebook/Binder for additional information about the area and Rules of the property.
- e) If operating during Winter months, the applicant must ensure snow removal during winter months to a level that allows safe access to the building over the normal pedestrian access to the property.
- f) If operating during the Winter months, the applicant must ensure snow removal service to an off-street parking area associated with the STR so that off-street parking is at all times available for occupant use.
- g) The applicant must ensure that trash cans are not left at the curb for

A GREAT NORTHERN TOWN



any period in excess of twenty-four (24) hours.

- h) The property must be kept free from accumulated garbage and refuse.
- i) No outdoor display of goods and merchandise shall be permitted as part of any STR.
- j) The responsible party shall maintain a current burn permit from the Skykomish Fire Department for the STR property for any outdoor burning facilities.
- k) Per RCW 64.37.050 Liability Insurance: "A short-term rental operator must maintain primary liability insurance in compliance with Washington State Insurance requirements, as provided in RCW 64.37.050, as adopted and as hereafter amended.

2. Land Use Criteria

a) No more than one STR will be allowed on any parcel of land;

b) The STR must be located within a zone and district designated as allowing STRs for the period which the license is applied for;

c) Parking for STRs shall not result in an obstruction to traffic and pedestrian circulation or public safety;

d) If the proposed STR is a single-family home and shares an access or driveway with another dwelling, written consent of the owner of the other dwelling is required;

e) STRs may not be used for commercial uses not otherwise permitted in the zone;



f) Unless expressly permitted under the Municipal Sign Code, no signs will be permitted for short-term rental uses;

g. The STR must be in conformance with the Comprehensive Plan and all development regulations.

18.16.060 Noise and Occupancy Control.

The responsible party and occupants under this Section are responsible for regulating the occupancy of the property and noise created by the occupants of the property.

18.16.070 Suspension or Revocation.

- Violation of the Noise Ordinance, violation of occupancy loads, failure to use designated off-street parking, illegal conduct, or any other abuse which violates any law regarding use or occupancy of the premises or which violates any condition of approval of an issued short-term rental license is grounds for revocation. Failure to collect and pay the Skykomish Lodging Tax or any other past due fees or taxes is also a violation of the license and grounds for revocation.
- 2. When Town administration determines that there is a reasonable basis for suspending or revoking a short-term rental license, the administrator shall notify the responsible party of the Town's intention by regular and certified mail. The notice shall state the reason for the suspension or revocation, the date it will become effective, and describe the appeal process and fee. Suspension or revocation shall become effective 14 days after the date the notice is mailed unless the responsible party, within such 14-day period, files an appeal with the Town Mayor, together with the appeal fee. The responsible party shall state their reason for the appeal and/or what errors are alleged to have been made by the Town in making its determination. Appeals shall be heard by the Town mayor, whose decision shall be final.



- 3. If a license is suspended or revoked, all operation of the short-term rental use shall cease upon the effective date unless the appeal process has been initiated, in which case the suspension or revocation shall be stayed pending the outcome of the appeal. A suspended short-term rental license shall not be reinstated until the Town mayor determines, in writing, that the basis for the suspension, together with any new conditions applied to the license, have been adequately addressed. If revoked, no new short-term rental license shall be issued for the property for the remaining term of the revoked license. Revocation of a license is grounds for denying any subsequent application.
- 18.16.080 Violation and Enforcement
 - 1. The responsible party will be responsible for all costs associated with enforcement of the STR regulations including but not limited to any towing, reimbursement of the Town for 911 calls, violation fines, legal costs and fees, and appeals fees.
 - 2. Any person who advertises or operates a short-term rental without a valid short-term rental license or who fails to comply with any other provision of this chapter or a condition of license approval shall be deemed to be in violation of this chapter for each day during which the business is so engaged in or carried on. Any person who fails or refuses to pay a fee required under this chapter, or any part thereof, on or before the due date shall be deemed to be operating a short-term rental without having obtained a license.
 - 3. Any person found to have violated any provision of this chapter shall be subject to a civil penalty not to exceed \$500 per violation and/or suspension or revocation of an issued short-term rental license. Each day of violation shall be considered a separate offense.



Town of Skykomish

Advised Revisions to Existing Municipal Code

Additional amendments to the Skykomish Municipal Code include:

Chapter 5.05 – Business License Regulations and Fees 5.05.0030 – Persons subject to license

On or after the effective date of the ordinance codified in this chapter, all persons engaged in business in the town shall apply for a business license. No person shall engage in any business within the town without first having secured a license to do so as hereinafter provided unless exempted in this chapter. Licenses for short-term rentals are regulated by SMC 18.16.

Title 18 – Zoning Chapter 18.10 – Rules and Definitions 18.10.562 – Definition for Short-term rental

"Short-term rental" means renting a single-family residence for "occupancy for dwelling, lodging or sleeping purposes of 30 consecutive days or less." This does not include using a home for commercial purposes such as weddings, corporate retreats, or other special events. A short-term rental must be maintained and used at all times for residential occupancy. "Occupants" of a short-term rental are defined as residents of the subject property as well as temporary guests.



Town of Skykomish Short-term Rental Licensing Guidance

<u>To do:</u>

- Ensure your short-term rental (STR) is allowed by consulting the Town's <u>STR</u> <u>District Capacity Map (attached) which identifies STR Districts A through G and</u> <u>by consulting with Town administration to verify whether the cap in your District</u> <u>has been reached. A designated quantity of STRs is permitted in each district for</u> <u>a total of 18 STRs permitted within Town limits.</u>
- 2. If you are renewing an existing STR license, re-apply between April 1st and April 15th of each year for renewal on May 1st.
- 3. Read, acknowledge, and comply with the Town of Skykomish Municipal Code for Short-term Rentals, SMC 18.16.
- 4. Pass a Property Inspection for STR License by the Building Department and any other department as appropriate to ensure building, fire, municipal, and health codes.
- 5. If conducting business under an assumed name (D.B.A. "doing business as"), register the business name with the Secretary of State.
- 6. Submit a STR license application **with your passed inspection report(s)** and applicable fees to the Town.

Short-term Rental License Fee Schedule

1. Initial application	
License administration fee:	\$100.00
Property inspection fee:	\$500.00
Reinspection Fee	\$100.00
2. Renewal fee:	\$50.00
3. Appeals fees:	\$50.00

4. The Skykomish Lodging Tax is 8% of gross revenues and is collected not later than annually by January 28th of the following year. Late fees apply.

A GREAT NORTHERN TOWN



Property Inspection for STR License

Under Title 18.16 of the Town of Skykomish Municipal Code, it states that prior to applying for a short-term rental license, the applicant shall be required to have the prospective place of business inspected by the appropriate departments of the Town or to ensure compliance with building, fire, municipal and health codes.

Please call 360-677-2388 when you are ready for inspection.

A. SHORT-TERM RENTALS: Below is a list of the most common life safety concerns found during STR License inspections within The Town of Skykomish. This list is not inclusive of the Building or Fire Code but only addresses the most common concerns. STRs are required to comply with all applicable codes. Please contact The Town of Skykomish with any questions.

- 1. Smoke alarms less than ten (10) years old are required in each bedroom, each hallway adjacent to a bedroom and one on each floor, including the basement.
- 2. Carbon monoxide detectors are required on each floor and in the vicinity of bedrooms.
- 3. GFCI protected outlets are required within six (6) feet of sinks, bathtubs and hot tubs. Jetted tub motors and hot tub motors must be GFCI protected.
- 4. Water heaters
 - a. Water heaters must be strapped with approved straps on the top third and bottom third of the tank.
 - b. The water heater expansion tank must also be strapped.
 - c. Proper venting of gas connections is required.
 - d. Clearance of 36 inches in front of the heater/combustion chamber is required.
- 5. Furnaces
 - a. Furnaces must have required clearances (36 inches in front) and access.
 - b. Correct venting and gas/electrical connections are required.
 - c. Combustion air must be sufficient.
- 6. Handrails are required on any stairs over three risers.
- 7. Hot tubs
 - a. Disconnect must be a minimum of five (5) feet but no more than 50 feet away (5 to 50 rule).
 - b. A property with more than two (2) units (e.g., triplexes and condominiums) must have a single shut-off switch to cut all



power to the hot tub, even if the tub is private.

- c. Hot tub motors and heaters must be GFCI protected.
- d. Glass within six (6) feet of the hot tub must be tempered.
- Decks and walking surfaces (e.g., stairs, hallways) must have guards if walking surface is 30 inches above the ground or floor. Gaps on all guards cannot exceed six (6) inches on center.
- 9. Windows must be tempered in hazardous or wet locations.
- 10. A fire extinguisher must be provided in each unit. Type 1A:10BC is the minimum size accepted.
- 11. For emergency egress, bedrooms must contain:
 - a. A door to the outside, or
 - b. One window with a minimum opening of 5.7 square feet and no more than 44 inches above the floor
- 12. Fire extinguishers must be serviced and tagged annually.
- 13. The space must have adequate sanitary facilities
- 14. Use as a nightly rental must meet Zoning regulations and the use of the structure.

Please do a walkthrough of your property before requesting an inspection. Even if the space has been used before as a nightly rental, it may not have all the updates required to pass inspection.

Town of Skykomish PO Box 308, 119 4th St N Skykomish, WA 98288 360-677-2388 <u>clerk@skykomishwa.gov</u>



Short-term Rental (STR) License Application				
Federal ID number State UBI number				
DBA				
Sales Tax Registration Number (if applicable)				
STR Address (and District)				
Name of Owner:				
Address				
Mailing address				
Telephone #				
If different from Owner:				
Name of Responsible Party:				
Address				
Mailing address				
Telephone #				

Maximum Occupancy as determined by a certified septic inspection report:

Applicant to certify with initials that each of the following Review Criteria listed in SMC 18.10.105.E have been met. By initialing here, applicant agrees to the full text of the SMC, not just what is reproduced here for brevity:



Applicant Initials	Review Criteria
	a) The responsible party must be available by telephone, or
	otherwise, twenty-four (24) hours per day, and must be able to
	respond to telephone inquiries about issues related to the use of
	the rental within thirty (30) minutes of receipt of such inquiries.
	b) STR shall not exceed maximum capacity at any time as
	determined by inspection report.
	c) Information sign with all the requirements is posted in the
	rental.
	d) Applicant ensures appropriate snow removal
	e) Applicant ensures proper trash and garbage
	management.
	f) No outdoor display of goods and merchandise.
	g) Applicant has obtained a current burn permit for any
	outdoor burning facilities.
	h) Applicant has provided proof of insurance.
	i) No more than one short-term rental on any parcel of land.
	Short-term rentals are allowed within the zone and district
	within the period which the license is applied for.
	j) Parking shall not obstruct traffic, pedestrian circulation, or
	public safety.
	k) If property shares an access driveway, written consent from the
	other owner is provided.
	I) Applicant will not use short-term rental for commercial uses not
	otherwise provided.
	m) No signs permitted unless expressly permitted by the
	Sign Code.

The applicant has passed and submitted additional reports including but not limited to:

• Property inspection report for short-term rentals

I certify under penalty of perjury and license revocation that I am the authorized representative of the property owner; that I have read, know and fully understand the information and provisions of this license and the accompanying ordinance section governing short-term rentals; that as the legal representative of the property for which application for a short-term rental license is made and acting as agent of the owner of said property, I recognize and understand that residential buildings, which may be used as short-term rentals, including all single-family homes, may not have been constructed in a manner to meet building code requirements for commercial buildings;



I do herein agree and represent to the Town of Skykomish that said residential unit(s) will not be used for any purpose other than the intended single- family residential use; I certify that the information provided and representations made are complete and correct to the best of my knowledge and my application is in accordance with The Town of Skykomish's ordinances. This license shall be VOID if information or representation provided by licensee is incorrect or later changes and I fail to update such information within ten business days of the change of information. 1) That THIS **IS NOT A LICENSE**, but merely an application for a license to do business within the Town of Skykomish. 2) That if my application is approved, I shall be notified and issued a license certificate which must be displayed at my place of business at all times.3) That all Short-term Rental Licenses expire on April 30th of the year following the year of issuance. 4) That the granting of this license to do business within The Town of Skykomish does not discharge or replace any other licensing or registration requirements I may have under Town, County, State or Federal laws. 5) I hereby acknowledge that approval of this license application does not create liability for the Town of Skykomish and do hereby indemnify, hold harmless, and agree to defend the Town against any claims related to the issuance of this license.

Print Name

Date

Signature

