

CITY OF CLE ELUM

WASHINGTON

ORDINANCE NO. 1601

AN ORDINANCE OF THE CITY OF CLE ELUM, WASHINGTON, ESTABLISHING CHAPTER 17.160 CEMC RELATED TO SHORT-TERM RENTALS; PROVIDING FOR SEVERABILITY; AND ESTABLISHING AN EFFECTIVE DATE

WHEREAS, the City has seen an increase in interest to establish short-term rentals such as accommodations offered by AirBnB and VRBO within the City; and

WHEREAS, the City recognizes that short-term rentals can increase home affordability by providing additional income for existing residents to off-set their cost of living, and

WHEREAS, short-term rentals provide additional tourism revenue to the City by providing alternative transient accommodations; and

WHEREAS, the City Council desires to preserve long-term and affordable housing stock to the greatest extent possible, while allowing short-term rental opportunities; and

WHEREAS, it is in the City's interest to regulate short-term rentals to ensure that surrounding properties are not negatively impacted by the rentals; and

WHEREAS, the City Council desires to limit the spacing of short-term rentals within residential zones in the City to ensure the City maintains a peaceful character; and

WHEREAS, the City environmentally evaluated this non-project action through a State Environmental Policy Act and issued a Determination of Nonsignificance on November 3, 2020; and

WHEREAS, the City Planning Commission held a duly noticed public hearing on November 17, 2020 to collect public comment; and

WHEREAS, it is in the interest of the health, safety, and welfare of the City to adopt the regulations as described below.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF CLE ELUM, WASHINGTON, DO ORDAIN AS FOLLOWS:

Section 1. Chapter 17.160 CEMC (“Short-Term Rentals”), Established. Cle Elum Municipal Code Section 17.160 is hereby established to read as set forth in the attached Exhibit A and incorporated herein by this reference.

Section 2. Severability. Should any portion of this Ordinance, or its application to any person or circumstance, be declared unconstitutional or otherwise invalid for any reason, such decision shall not affect the validity of the remaining portions of this Ordinance or its application to other persons or circumstances.

Section 3. Effective Date. This Ordinance shall be published in the official newspaper of the City, and shall take effect and be in full force five (5) days after the date of publication.

ADOPTED BY THE CITY COUNCIL AT A REGULAR MEETING THEREOF ON THE
11th DAY OF *January* 2021

CITY OF CLE ELUM

Jay McGowan
Jay McGowan, Mayor

ATTEST/AUTHENTICATED:

Kathi Swanson
Kathi Swanson, City Clerk

Approved as to form:

Alexandra L. Kenyon, City Attorney

Filed with the City Clerk: *1/11/2021*
Passed by the City Council: *1/11/2021*
Date of Publication: *1/14/2021*
Effective Date: *1/21/2021*

1 **A. Purpose**

2 The purpose of this chapter is to prevent unreasonable burdens on the services and impacts on the
3 health, safety, and welfare of the general public and residential neighborhoods posed by short-term
4 rental homes and to preserve affordable long-term housing stock. Maintenance of existing residential
5 neighborhoods is essential to a continued sense of community and economic strength. It is the intent
6 of this chapter to minimize the impact of short-term rentals on adjacent residences, and to minimize
7 the impact of the commercial character of short-term rentals.

8 **B. Definitions**

- 9 **1. Adjacent properties.** Any property contiguous to a property on which a short-term rental unit is
10 located.
- 11 **2. Apartment building.** Standalone building with five or more residential units that share common
12 walls.
- 13 **3. Host.** Any owner of record of residential real property, or agent or lessee thereof, who offers that
14 dwelling unit, or portion thereof, for short-term rental either through a hosting platform or
15 individually. All accessory dwelling units shall be considered hosted if the owner resides on the
16 property.
- 17 **4. Hosting platform.** A marketplace, in whatever form or format, which facilitates short-term
18 rentals through advertising, matchmaking or any other means, using any medium of facilitation,
19 and from which the operator of the hosting platform derives revenue from providing or
20 maintaining the marketplace and including booking fees or advertising revenue.
- 21 **5. Hosted short-term rental.** A short-term rental where the host remains in the dwelling unit
22 throughout the short-term renter’s stay. A host may rent out a private portion of a residential
23 dwelling unit; however, the rental of an entire dwelling unit may not be classified as a “hosted
24 short-term rental.”
- 25 **6. Local contact person.** The person designated by the owner or host who shall be available
26 twenty-four (24) hours per day, seven (7) days per week for the purpose of: (1) Responding
27 within sixty (60) minutes to the property code violations and/or complaints regarding the
28 condition, operation, or conduct of occupants of the short-term rental unit and (2) taking remedial
29 action to resolve such violations and/or complaints.
- 30 **7. Short-term rental.** The rental of any room or rooms, or portions thereof, in any residential
31 dwelling unit for residing, sleeping or lodging purposes for no more than twenty-nine consecutive
32 calendar days. Portions of days shall be counted as full calendar days.
- 33 **8. Short-term renter.** A person who occupies, or is entitled to occupy a short-term rental, by reason
34 of fee, concession, permit, right of access, license or other agreement for a period of no more than
35 twenty-nine consecutive calendar days. Portions of days shall be counted as full calendar days.

36 **C. Permits, licensing, and taxes.**

37 **1. Permit.**

- 38 **a. Short-term rental permit required.** It shall be unlawful for any host to rent a short-term
39 rental without first applying for an obtaining a permit from the city.
40 Applications for short-term rental permits shall be submitted on a form provided by the city.
41 Applications shall include all information required on the form and shall be accompanied by
42 the appropriate permit fee.
- 43 **b. Permit fee.** The initial permit fee and renewal permit fee shall be established by resolution of
44 city Council, as may be amended from time to time, and payable annually in advance. Fees
45 for applications received at any time during the calendar year shall not be prorated.
- 46 **c. Separate permits required.** A separate short-term rental permit is required for each short-
47 term rental, regardless of ownership.

- 48 **d. Limited permits by owner.** A single host shall be limited to owning and operating a
49 maximum of three short-term rentals
- 50 **e. Term of permit.** A short-term rental permit shall be on a calendar-year basis. Approved
51 permits shall be personal to the host, are not assignable or transferable and shall automatically
52 expire upon sale or transfer of the property on which the short-term rental is located.
- 53 **f. Annual renewal.** A short-term rental permit compliant with this chapter, shall be renewed
54 annually upon payment of permit renewal fees as established by resolution of the city council
55 and remittance of all required taxes associated with the short-term rental. The host shall also
56 submit such information as may be required to enable the mayor or their designee to verify
57 the amount of tax paid. Failure to submit a short-term rental renewal application prior to
58 December 15 of each calendar year will result in expiration of the permit and a new permit,
59 including fees, must be applied for.
- 60 **2. Business license required.** A City of Cle Elum business license is required for all short-term
61 rentals. A business license shall be obtained pursuant to CEMC 5.02 as established or hereafter
62 amended.
- 63 **3. Insurance required.** The applicant shall maintain on file at city hall a current certificate of
64 insurance documenting that the premises are insured as a short-term rental, or as appropriate for
65 the proposed use.
- 66 **4. Display of information.** Each short-term rental unit shall have a clearly visible notice posted
67 within the unit that includes the following, current information:
- 68 **a.** Contact information for the host and local contact person;
- 69 **b.** The city short-term rental permit number;
- 70 **c.** Contact information for emergencies including police and fire services;
- 71 **d.** Identification of emergency escape routes and location of fire extinguishers;
- 72 **e.** Location of emergency shut-offs and any other emergency information;
- 73 **f.** The maximum number of people in terms of permitted sleeping occupancy;
- 74 **g.** The maximum number of persons permitted in the unit at any one (1) time;
- 75 **h.** The location for parking vehicles and the maximum number of parked vehicles permitted for
76 the unit;
- 77 **i.** Alternative parking locations for extra vehicles, trailers, and campers;
- 78 **j.** Requirements, if allowed, for smoking;
- 79 **k.** Methods and timing of trash disposal;
- 80 **l.** Snow removal instructions;
- 81 **m.** Notice to keep noise to a minimum between 10:00 p.m. and 7:00 a.m.; and
- 82 **n.** Policy regarding pets.
- 83 **5. Collection of taxes.**
- 84 **a.** Chapter 82.08 RCW allows cities to adopt a “Room Tax” or lodging tax, which contributes to
85 the Cle Elum Lodging Tax Fund that provides grant funding for tourism-related activities and
86 facilities for and within the City of Cle Elum. CEMC 3.68 “Room Tax” applies to all short-
87 term rentals within the Cle Elum municipal limits. Short-term rentals that do not
88 automatically pay the appropriate Room Tax through their hosting platform (e.g., Air Bnb),
89 shall pay the taxes as set forth by CEMC 3.68.
- 90 **b.** The applicant shall provide all applicable company or business names the short-term rental
91 may be affiliated with in order for the city to track and collect applicable taxes, fees, and
92 charges.

93 **D. Building inspection**

94 The host shall maintain, on file at city hall, a current building inspection checklist documenting that
95 the premises comply with the provisions for transient accommodations in the International Building
96 Code, as adopted by the City of Cle Elum.

97 Before issuance of a permit, the host shall allow the building inspector to enter the premises for the
98 purpose of completing the building inspection checklist.

99 **E. Short-term rental operating standards**

100 **1. Applicant.** Applicants for short-term rental permits must be the owner of the property where the
101 short-term rental will be located or, if an agent or lessee, shall have the written permission of the
102 property owner to use such property as a short-term rental.

103 **2. Local contact person.** Short-term rentals must have a local contact person who shall be
104 responsible for ensuring compliance with provisions of this Code including, but not limited to,
105 immediately addressing emergency situations at the short-term rental premises, reporting lodging
106 tax, maintaining a current business license, maintaining parking areas, removing of snow and ice,
107 and other property maintenance requirements (see local contact person definition in (B)(6)above).

108 **3. Zoning.** Short-term rentals are permitted only within the commercial and residential zones of the
109 city, provided they conform to the zoning regulations for each zone.

110 **4. Legal dwelling.** Short-term rentals are permitted only within legal conforming and legal
111 nonconforming residential dwelling units. Short-term rentals are not permitted in an apartment
112 building at any time in any zone.

113 **5. Spacing.**

114 **a. Commercial.** There shall be no spacing limitations to the number of short-term rentals within
115 commercial zones.

116 **b. Residential.** Within any residential zone, short-term rentals shall be separated by at least 250
117 feet between parcel boundaries, as confirmed by the city based upon the Kittitas County
118 Assessor’s mapping portal data.

119 **6. Quiet hours.** Regular quiet hours shall be observed between the hours of 10:00 p.m. and 7:00
120 a.m. Activities that produce audible noise to neighbors will take place only between the hours of
121 7:00 a.m. and 10:00 p.m., although any noise complaint may be subject to city police
122 investigation, including excessive noises made by animals during any hour (for example, CEMC
123 6.04.070).

124 **7. Pets.** Should the permitted property allow guests to have pets, all local animal laws must be
125 followed, including but not limited to the city leash law. All animal waste within the city right of
126 way or neighboring properties shall be promptly picked up. No exotic animals or exotic pets shall
127 be permitted on the short-term rental premises.

128 **8. Nuisance.** No short-term rental shall be operated in such a way as to constitute a nuisance as
129 defined by CEMC 8.12.

130 **9. Occupancy.**

131 **a.** A dwelling unit for which a short-term rental use is approved may alternatively be used as a
132 full-time residence for the owner or lessee. However, during short-term rental tenancies, the
133 building shall not be used for any other purpose (e.g., home occupation or temporary event)
134 without the appropriate additional permit, license, or other written permission of the city.

135 **b.** The maximum number of occupants permitted in a short-term rental shall be established at
136 the time of the initial unit licensing and shall not exceed the number deemed safe by the Cle
137 Elum fire department.

138 **10. Parking.** A minimum of two designated off-street parking spaces shall be available on the
139 property. Parking spaces shall be located entirely within the boundaries of the rented property,

140 and located upon standard hard parking surfaces such as concrete or compact gravel driveways,
141 and which shall exclude grass and landscaping.

142 **11. Camping.** While the determination of whether recreational vehicles (RVs or other campers) will
143 be allowed to park onsite will be the responsibility of the host, no camping within city limits is
144 permitted (CEMC 8.44). As such, no additional accommodations within RVs, other campers, or
145 tents shall be allowed under this permit.

146 **12. Appearance and visibility.**

147 Except in the commercial zones, the short-term rental use shall not change the residential
148 character of the outside of a dwelling unit, either by the use of colors, materials, signage, lighting;
149 or by the construction of accessory structures or garages that are visible off-site and not of the
150 same architectural character as the residence; or by the emission of noise, glare, flashing lights,
151 vibrations, or odors not commonly experienced in residential areas.

152 **13. Garbage service.** Mandatory garbage services are required within the City of Cle Elum (CEMC
153 8.08.120). The appropriate level of garbage collection services shall be maintained so there is no
154 overflow of trash on the short-term rental property or adjacent properties. The mayor or their
155 designee shall be authorized to require a larger garbage cart if the short-term rental receives more
156 than two complaints related to garbage overflowing or leaving the property or if the property
157 receives more than two garbage overage charges from the city's garbage service provider, at
158 which time the mayor or designee will determine the appropriate cart size and make the
159 adjustments with the city's garbage service provider and the host.

160 **14. Special events.** Weddings, corporate events, commercial functions, large parties and other similar
161 events which have the potential to cause traffic, parking, noise, or other impacts to the
162 neighborhood shall first receive a city event approval by the city events committee.

163 **F. Application**

164 **1.** Applications for short-term rental permits must be made on the applicable form provided by the
165 city and should contain the following information:

- 166 **a.** Host's name, mailing address, physical address, phone number
- 167 **b.** Local contact name, mailing address, physical address, phone number, business license
168 number (if applicable)
- 169 **c.** Business license number, if known
- 170 **d.** A city business license will be required before the short-term rental license is issued.
- 171 **e.** Physical address of proposed short-term rental
- 172 **f.** Number of bedrooms and proposed occupancy
- 173 **g.** Number of off-street parking spaces
- 174 **h.** Other information as required by the city

175 **2. Requirements not exclusive.** The approval of a short-term rental permit shall not relieve any
176 host of the obligation to comply with all other provisions of the Cle Elum Municipal Code
177 applicable to the use and occupancy of the property.

178 **3. Records of compliance.** The host shall retain records documenting the compliance with this
179 chapter for a period of three (3) years after each period of short-term rental, including, but not
180 limited to, records showing payment of lodging taxes by a hosting platform on behalf of a host.
181 Upon reasonable notice, the host shall provide any such documentation to the City of Cle Elum
182 upon request for the purpose of inspection or audit.

183 **4. Violation and enforcement**

184 **a. Revocation of permit.** A short-term rental permit may be revoked for any of the following
185 reasons: fraud, misrepresentation or false statement contained in the application for, or in the
186 operation of, the short-term rental, failure to pay lodging tax, failure to maintain a valid city

187 business license, or more than two responses to the same renters and/or guests on the property
188 by the city police or other law enforcement agencies for reasons of noise, parking, or
189 nuisance or other violations of the city ordinance or law related to the property's use as a
190 short-term rental. Any short-term rental which receives a police response more than four (4)
191 times within a twelve-month period for the listed violations may have the short-term rental
192 permit revoked.

193 **b. Violations.** Violations of this chapter and any requirements therein may result in the
194 revocation of a short-term rental permit.

195 **c. Enforcement.** Violations of this chapter, including operating a short-term rental without a
196 valid permit may be enforced by any law enforcement officer or code enforcement officer as
197 set forth by state law or city municipal code (CEMC 8.60).

198 **5. Appeals.** Appeals of any short-term rental permitting decision shall follow the provisions of
199 CEMC 17.100.130.

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