#### CLACKAMAS COUNTY BOARD OF COUNTY COMMISSIONERS

Sitting/Acting as (if applicable)

# Policy Session Worksheet

Presentation Date: June 28, 2023 Approx. Start Time: 10:30 Approx. Length: 30 Minutes

**Presentation Title:** Proposed Amendment to County Code Chapter 8.10 – Short-Term Rental Registration

and Regulations

**Department:** County Counsel

Presenters: Stephen Madkour, County Counsel

Other Invitees: Caroline Hill and Everett Wild, Board Policy Advisors

<u>WHAT ACTION ARE YOU REQUESTING FROM THE BOARD?</u> Staff seeks Board direction on how best proceed with the county's plan to address concerns with respect to short-term rentals.

**EXECUTIVE SUMMARY**: Presently the County no ordinance in place that regulates short-term rentals. Prior Boards did adopt amendments to County Code Chapter 8.10 but the effective dates for implementation of those amendments was delayed. Eventually, the Board approved a repeal of Chapter 8.10.

The version being presented at this session is the result of Commissioners Savas and Shull and their policy advisors' efforts to draft a set of rules that would be easier to navigate and less cumbersome to implement and enforce. The proposed regulations allow for an applicant for a short-term rental to seek approval from the County by submitting an affidavit attesting to the accuracy of the statements and representations contained in the affidavit in exchange for registration from the County. A draft of that affidavit is included in this packet. No inspection of the property would be made by County staff. Part of that attestation is to comply with the Code section and to register and pay the county's transient lodging tax.

The Tourism Development Council has authorized a one-time program funding amount of \$200,000 to provide start up for this test program.

#### FINANCIAL IMPLICATIONS (current year and ongoing):

Is this item in your current budget?   YES	⊠ NO
What is the cost? \$ Unknown	What is the funding source? \$200,000 provided by the Tourism Development Council.

A fee structure has been discussed and is potentially based on a percentage of the rental cost. Staff recommends that any fee structure be adopted by way of a Board Order as opposed to being included in this ordinance.

#### **STRATEGIC PLAN ALIGNMENT:**

- How does this item align with your Department's Strategic Business Plan goals?
  - o N/A
- How does this item align with the County's Performance Clackamas goals?
  - o Building public trust through good government
  - Ensuring safe and secure communities

#### **LEGAL/POLICY REQUIREMENTS:**

This is an ordinance change, which would require two public hearings with reading by title only at least 13 days apart. If passed, ordinance would be effective after 90 days or immediately if the Board declared an emergency.

#### **PUBLIC/GOVERNMENTAL PARTICIPATION:**

Should the Board move forward with the short-term rental regulations, then PGA should be involved to publicize both the program and the need for property owners to register their rentals.

#### **OPTIONS:**

- 1. Proceed with current version of Chapter 8.10 to first public hearing on proposed ordinance change;
- 2. Propose amendments to the current version and proceed to a first public hearing on proposed ordinance change; or
- 3. Do not proceed with any amendments or changes to Chapter 8.10.

#### **RECOMMENDATION:**

Staff recommends the following:

Option 1. Proceed with current version of Chapter 8.10 to first public hearing on proposed ordinance change.

#### **ATTACHMENTS:**

Proposed amendments to Chapter 8.10; Draft Registration Form; and Transient Lodging Tax Registration Form.

#### **SUBMITTED BY:**

Division Director/Head Approval	
Department Director/Head Approval	
County Administrator Approval	

For information on this issue or copies of attachments, please contact Stephen L. Madkour, County Counsel at 503.655.8362

# Chapter 8.10 June 21, 2023

# 8.10 SHORT-TERM RENTALS

# 8.10.010 **PURPOSE**

The purpose of this chapter is to regulate short-term rentals in order to enhance public safety and livability within the unincorporated areas of Clackamas County. Specifically, this chapter addresses public safety concerns typically associated with short-term rentals, and clarifies the process for both property owners and staff related to permitting short-term rentals and enforcing violations of these standards.

[Added by Ord. 09-2000, 11/25/20]

## **8.10.020 DEFINITIONS**

Except where the context otherwise requires, the definitions given in this section govern the construction of this chapter.

- A. ADMINISTRATOR means the County Administrator of Clackamas County or his/her designee.
- B. DWELLING UNIT is a single unit providing complete independent living facilities for one or more persons, including permanent provisions for living, sleeping, eating, cooking and sanitation. For the purposes of this chapter only, a guest house is considered to be part of the dwelling unit to which it is accessory, even though it is a separate structure. Guest house shall have the meaning given to that term in Section 202 of the Clackamas County Zoning and Development Ordinance.
- C. OCCUPANTS means persons who are authorized to stay within a short-term rental.
- D. OWNER is the owner or owners of a dwelling unit used as a short-term rental.
- E. OVERNIGHT means anytime between the hours of 10 p.m. and 7 a.m. on the following day.
- F. PREMISES means the short-term rental and the lot on which it is located.
- G. REGISTRANT means the owner, or agent of the owner, designated on the registration to act for the owner, who is responsible for ensuring the short-term rental adheres to all applicable requirements to maintain a short-term rental registration.
- H. REGISTRATION means a short-term rental registration with the County as required by this Chapter.
- I. SHORT-TERM RENTAL means a dwelling unit, or portion of a dwelling unit, that is rented to any person or entity for lodging or residential purposes, for a period of up to 30 consecutive nights.
- J. SLEEPING AREA means a room or other space within a dwelling unit designed and intended primarily for sleeping.

## 8.10.030 APPLICABILITY

This chapter shall apply within the unincorporated areas of Clackamas County including within urban growth boundaries, but shall not apply within the boundaries of any incorporated city.

This chapter does not apply to hotels, motels, bed and breakfast facilities, hostels, campgrounds, recreational vehicle (RV) camping facilities, or organizational camps. [Added by Ord. 09-2000, 11/25/20]

# 8.10.040 SHORT-TERM RENTAL REGISTRATION REQUIREMENTS

- A. All short-term rentals shall be registered, except that any short-term rental that qualifies for an exemption to the Transient Room Tax under Section 8.02.060(C), as "incidental" use of the property, shall be exempt from the registration requirements set forth herein.
- B Application forms for a registration for a short-term rental will be available online at \_\_\_\_\_ and at County offices. Applications for registrations for a short-term rental must be submitted to the County by a signed affidavit of compliance. The application documents must include at least the following:
  - 1. The location of the premises.
  - 2. The true names, telephone numbers, addresses, and email addresses of the property owners.
  - 3. That the use complies with all building and fire standards in Section 8.10.060(G), and all applicable requirements in Section 8.10.060(D-F).
  - 4. That the applicant has submitted a Transient Room Tax registration form to the County.
  - 5. The name, telephone number, address, and email address of a contact person who shall be responsible and authorized to respond to complaints concerning the use of the short-term rental.
  - 6. Proof of liability insurance coverage on the short-term rental.
  - 7. Owner must prohibit STR renters from subleasing the property or otherwise using it to generate income, must terminate rental agreement immediately upon learning of such activities, and must not rent to anyone who the owner has reason to believe intends to use the STR for such activities.
  - 8. That the applicant has met and will continue to comply with the standards and requirements of this chapter.
- C. No short-term rental may be publicly advertised for rent unless it has been registered with the County
- D. A short-term rental registration terminates automatically if state statutes, regulations or guidelines are modified or changed to prohibit operation of the short-term rental under this chapter.

[Added by Ord. 09-2000, 11/25/20]

#### 8.10.050 STANDARDS AND CONDITIONS

Any short-term rental must comply with the following standards at all times, in addition to any other state and local requirements:

- A. Dwelling Unit. The short-term rental must be operated within a legally-established, permanent dwelling unit.
  - 1. The dwelling unit associated with a short-term rental shall not have been established through a land use approval or other approval process that specifically limited the use of the dwelling unit, the occupancy of the dwelling unit, or the duration of the existence of the dwelling unit. Examples of non-qualifying dwellings include those approved as an accessory farmworker dwelling, a caretaker dwelling, or a temporary dwelling for care.
  - 2. Guest houses may only be used as a short-term rental if the guest house has been legally established.
  - 3. Temporary sleeping accommodations such as tents and recreational vehicles are not considered to be dwelling units under the county's zoning and development ordinance and may not be used as a short-term rental.
- B. Maximum Occupancy. The number of occupants in the short-term rental shall not exceed the number of occupants authorized in the registration. The maximum occupancy shall be clearly posted in the short-term rental, disclosed in any advertising of the availability of the short-term rental, and included in any rental agreement with tenants. The maximum occupancy authorized in the registration for the short-term rental shall be calculated as follows:
  - 1. Two occupants per sleeping area, plus four additional occupants.
  - 2. Roll-out beds, fold-out couches, or other similar temporary beds shall not be considered a "sleeping areas" for the purposes of calculating maximum allowed occupancy, but could accommodate the four additional occupants.
  - 3. In no case shall more than 12 occupants be authorized by a short-term rental registration. If only a portion of a dwelling unit is used as a short-term rental, all occupants, including those occupying the portion of the dwelling unit not used as a short-term rental, shall be counted toward the 12-occupant maximum.
- C. Noise. Notice shall be clearly posted in the short-term rental that identifies and informs occupants of their obligation to abide by the County's current noise control ordinance standards (Clackamas County Code Chapter 6.05).
- D. Parking. One off-street motor vehicle parking space per sleeping areas is required. Garage space may be used to meet required parking standards if evidence is provided that there is sufficient cleared garage space to fit a vehicle(s). All required parking spaces must be available for occupants to use.
  - 1. In no event shall vehicles block access for emergency vehicles, block access to the premise, block a parked motor vehicle, or otherwise park in

a manner that violates the County's current parking and towing ordinance standards (Clackamas County Code Chapter 7.01). Violation of this section may subject the offending vehicle to immediate tow pursuant to ORS 98.853.

- E. Garbage. All garbage from a short-term rental shall be legally removed from the premises by the owner, occupant or franchised service provider at least once per week during any week, or portion thereof, in which the short-term rental is occupied. All outdoor garbage receptacles shall be covered. Recycling container(s) shall be available for use by renters.
- F. Registration Identification. The registration identification number assigned to the short- term rental by the administrator shall be included on any advertisement or rental platform where the short-term rental is offered to the public for occupancy.
- G. The name and contact information for the responsible party shall be posted, while paying guests are on the property, in an area and size to be readily visible from the nearest public roadway.
- H. Building and Fire Safety. A short-term rental shall comply with all ordinances that apply to a dwelling, and all structural components shall be kept in sound condition and good repair. In addition:
  - 1. Working smoke detectors and carbon monoxide detectors shall be installed and maintained in locations as required by the Oregon Residential Specialty Code.
  - 2. Working fire extinguishers shall be placed in the kitchen and next to each wood burning appliance in an easily accessible location. A minimum of two (2) extinguishers are required in each Dwelling Unit.
  - 3. Code-compliant pool and hot tub barriers shall be present, if applicable.

Every sleeping area shall have not less than one operable emergency escape and rescue opening, including basement sleeping areas.

4. The dwelling shall have no open building or zoning code violations. [Added by Ord. 09-2000, 11/25/20]

# 8.10.060 EXAMINATION OF BOOKS, RECORDS AND PREMISES

To determine compliance with the requirements of this chapter, the Clackamas County Zoning and Development Ordinance, and any local tax measures, the administrator may examine or cause to be examined by an agent or representative designated by the administrator, at any reasonable time, the premises, and any and all financial, operational and facility information, including books, papers, and state and federal income tax returns. Every owner is directed and required to furnish to the administrator the means, facilities and opportunity for making such examinations and investigations.

[Added by Ord. 09-2000, 11/25/20]

#### 8.10.070 EMERGENCY REVOCATION

- A. In the sole determination of the County, when a violation of the building code or applicable county ordinance exists at a short-term rental that presents an immediate serious fire or life safety risk, the Clackamas County Building Official may immediately revoke the short-term rental registration as a fire or life safety risk. The Clackamas County Building Official shall provide written documentation of the violation, and notification of the owner's right to appeal, as provided in 8.10.100.
- B. Upon an emergency revocation, the short-term rental shall not be rented or used as a short-term rental unless the revocation is withdrawn or a new short-term rental registration has been obtained.
- C. At any time following the emergency revocation of a short-term rental registration pursuant to this subsection, the Clackamas County Building Official may reinstate the registration upon a inspection by the Clackamas County Building Official verifying that the subject building code or county ordinance violation has been corrected.

[Added by Ord. 09-2000, 11/25/20]

# 8.10.80 ADMINISTRATION AND ENFORCEMENT

The County encourages owners, registrants, occupants, and affected residents and owners of nearby properties, to cooperate directly to resolve conflicts arising from the occupancy of any short-term rental. Along those lines, the first attempt to remedy a violation of any of the standards in this chapter should be to contact the representative associated with the registration, as identified in the approval notice and the required short-term rental posting. In the event that the listed representative does not respond within 24 hours or does not adequately remedy the issue, the Clackamas County Department of should be notified.

- B. Except as otherwise provided in this chapter, Chapter 2.07 of the Clackamas County Code shall govern the process for enforcement of this chapter, including but not limited to the notice and procedures associated with any compliance hearing.
- C. An owner that operates a short-term rental without an approved registration or

- while suspended from the program for a violation(s) of this Chapter shall be subject to immediate citation.
- D. A person who receives a citation for violation of this chapter shall respond within thirty (30) days of the issuance of the citation by demonstrating resolution of the violation and payment of any penalties established under this chapter, or by requesting a hearing as provided in this section.
- E. In addition to citation, the administrator or Hearings Officer may suspend the short-term rental registration, if the violation(s) haven't been corrected within 30 days following the second warning, until the short-term rental is in compliance with the standards and conditions set forth in this Chapter.
- F. The provisions in this section do not apply if the administrator or Hearings Officer have reason to believe that the violation(s) pose an immediate threat to the health, life, and safety of occupants and may impose Emergency Revocation measures as identified in Section 090 of this Chapter.

[Added by Ord. 09-2000, 11/25/20]

## 8.10.90 PENALTIES

Violation of this chapter shall be punishable by suspension or revocation of a short-term rental registration, and/or by a penalty or fine in an amount set by resolution of the Board of County Commissioners.

[Added by Ord. 09-2000, 11/25/20]



# **CLACKAMAS COUNTY REGISTRATION FORM Short-Term Rental (STR)**

Property Address of STR:	
Owner(s) Name:	
Address:	
	State: Zip:
	Alternate Phone:
Email:	
Contact Person: (Contact perso within two (2) hours.)	n must be available 24 hours a day and be able to respond to complain
Name:	
Address:	City:Zip:
	Alternate Phone:
Email:	
All and the second	
The signer(s) of this registration	form hereby attest, affirm, and acknowledge the following:
	fety requirements (working smoke detector, fire extinguisher, maximu and will continue to meet those requirements for the duration of STR
☐ This STR has and will exempted by State law	provide one off-street parking space per bedroom unless otherwise or County Code.
☐ The Owner(s) will mai	tain, at least, weekly garbage pickup service to the STR.
owner or managemen	ide the County with up-to-date contact information for the property company, and establishes a requirement that: rson will be available 24/7 when the unit is rented as an STR.

• The Contact Person will respond to guest or neighbor issues at the property within two

hours of an initial call for service.

sign, which must be present when paying guests are placed within ten feet of the roadway.	e on the property and must be
☐ The Owner(s) acknowledges the responsibility to collect, a	and remit to the County the
Transient Lodging Tax in accordance with Clackamas Cou	
☐ The Owner(s) acknowledges that they have filed a registra with Clackamas County Code Chapter 8.02 at <a href="https://www.clackamas.us/finance/transient.html#:~:text=How%2006">https://www.clackamas.us/finance/transient.html#:~:text=How%2006</a>	
%20City%2C%20OR%2097045.	00/020//020/ egister/020//////020/0200/ ego-
□ The Owner(s) acknowledge that registration does not tran ownership (including moving a property into a trust or LLC	
☐ The Owner(s) have reviewed County Code Chapter 8.10, and agree they will comply with those Code provisions, ar requirements for the duration of STR operation.	
Owner Signature	Date
Owner Signature	Date
Contact Person Signature	Date
Mithin 20 days ofter receiving a registration for a new STR STR Pro	param staff will mail a notification to

• The Contact Person's business name and phone number will be posted on a removable

Within 30 days after receiving a registration for a new STR, STR Program staff will mail a notification to property owners using the DTD Planning Division's notification criteria.



Department of Finance: 2051 Kaen Road, Oregon City, OR 97045, (503) 742-5400 tlt@clackamas.us

# TRANSIENT LODGING TAX REGISTRATION

Registration Certificate No. (Office Use):

Owner:
Business Organization Type: Please Select Owner:
Please Select
Business Name:
Business Mailing Address:
City, State, Zip:
Business
Business Email: Phone:
Lodging Type: Please Select Number of units available:
Lodging Name:
Lodging Address:
City, Zip: Lodging Manager:
Lodging Email: Lodging Phone:
Current Daily Rate: \$ 0.00 to \$ 0.00 subject to Transient Lodging Tax: \$ 0.00
Current Daily Rate: \$ 0.00 to \$ 0.00 subject to Transient Lodging Tax: \$ 0.00
Month of first rental
Location of Financial Records:
Certification:
I certify that 1) to the best of my knowledge and belief, the information provided herein is true and
2) I have reviewed the Clackamas County Transient Lodging Tax Ordinance and will comply as
applicable.
Signature of Operator or Preparer Date