

STR Taskforce Meeting

March 2, 2021 2PM to 4 PM City Council Chambers Cannon Beach City Hall and via Zoom

Agenda

- I (Re)Welcome
- II Review of STR Taskforce Mission & Scope
- III Data Review of Preliminary Audit
- IV Legislative Update: STR Rate Increase & Zoning Ordinance Amendment
- V Organizational Issues
- VI Next Steps



Short-Term Rentals

ZOOM

City of Cannon Beach Zoom is inviting you to a scheduled Zoom meeting.

Topic: STR Taskforce Meeting Time: 2PM to 4PM, Tuesday, March 2, 2021

Join Zoom Meeting

https://us02web.zoom.us/i/85696911634?pwd=cS9UK0pyUEY2MkJYSWtKWU5aMmtXQT09

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Find your local number: https://us02web.zoom.us/u/kccpDec2ct

Please note that agenda items may not be considered in the exact order listed, and all times shown are tentative and approximate. Documents for the record may be submitted prior to the meeting by email, fax, mail, or in person. For questions about the agenda, contact Administrative Assistant, Katie Hillenhagen at hillenhagen@ci.cannon-beach.or.us or (503) 436-8054. The meeting is accessible to the disabled. If you need special accommodations to attend or participate in the meeting per the Americans with Disabilities Act (ADA), please contact the City Manager at (503) 436-8050. TTY (503) 436-8097. This information can be made in alternative format as needed for persons with disabilities.



In order to maintain the residential character and livability of its neighborhoods and to prevent the adverse effects of the transient occupancy of dwelling units on residential neighborhoods, it is necessary to limit and regulate the transient occupancy of dwelling units, by investigating the rental permitting, violations and impacts of the STR program in Cannon Beach.



The City finds that transient occupancy of dwelling units constitutes a visitor oriented commercial use in the City's residential areas. In order to maintain the residential character and livability of its neighborhoods and to prevent the adverse effects of the transient occupancy of dwelling units on residential neighborhoods, it is necessary to limit and regulate the transient occupancy of dwelling units. (Comprehensive Plan, Housing policy 8)

The purpose of this chapter is to protect the character of the city's residential neighborhoods by limiting and regulating the short-term rental of dwelling units. The city permits three categories of short-term rentals. The three categories are: lifetime unlimited permits, five-year unlimited permits and fourteen-day permits. (Zoning Ordinance, section 17.77.010)



Comp Plan Short-Term Rentals

Areas of Analysis

Is Cannon Beach seeing an increase of STR activity?

if so, are they geographically concentrated?

if so, are they related to intensity or duration of use?

if so, are there other concerns?

Is Cannon Beach seeing an increase in STR influenced complaints?

if so, are they traffic or parking related?

if so, are they noise or activity related?

if so, are they impacting other concerns?

Are there current issues with STR program?

do current STR meet parking requirements?

what is the geographic, zoning district and other program related breakout of the data?

are there code-alignment concerns with other aspects of the code, such as fire/safety, parking, etc.?

What are the residential/neighborhood impacts of the STR program?

What are the fiscal impacts of the STR program?



Issues & Concerns

- Understanding & administration of 14-Day permitting
- Unlimited rentals & intensity of use
- Violations & Penalties
- Zone-based restrictions
- Density restrictions
- Geographic restrictions
- Cap on permits
- Frequency and duration restrictions
- Alignment with fire code...and other ordinances
- Off-street parking





STR HELPER Search. Jeff Adams 🔻 Help & Training Search Home **Create New** STR HELPER Cannon Beach, OR BC Links Properties Listings Property Managemen Licenses Map Reports Maintenance Configuration 2019 STR Update: Shortcut A Unresolved Items

- Award no more five-year permits and end the five-year permit program by allowing current five-year permits to expire. Approval, conditioned upon the suspension of any new five-year permits, for a term of four years, while the City sets up a taskforce to gather data on rentals, rental violations and the fiscal impact of rentals.
- Change the restriction that allows one occupancy group per fourteen days the "14-day rule" – to instead allow two occupancy groups per month. Denial.
- At the owner's option, allow a self-managed short-term rental unit to defer penalties by changing to professional management. Approval.
- Update the violations and penalties section of the STR ordinance. Approval.



Recent Items

BCN-126443
BCN-126443

BCN-119541
BCN-119540

BCA-34353
 Cannon Beach, OR
 BCA-34342

Custom Links

Recycle Bin

How we got to now

Cannon Beach Municipal Code

Cannon Beach, Oregon



Current through Ordinance 19-6 and the January 2020 code supplement. For more recent provisions, please contact the office of the City Manager.

This document is provided for informational purposes only. Please read the full <u>disclaimer</u>.

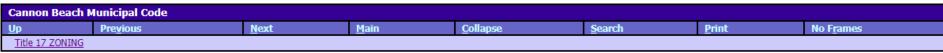
- Municipal Code Table of Contents
- Search
- Ordinance List
- <u>Statutory References</u>

Links:

<u>City of Cannon Beach Home Page</u>

Contact:

City Hall: (503) 436-8052 cityhall@ci.cannon-beach.or.us



Chapter 17.77 SHORT-TERM RENTALS

17.77.010 Purpose.

The purpose of this chapter is to protect the character of the city's residential neighborhoods by limiting and regulating the short-term rental of dwelling units. The city permits three categories of short-term rentals. The three categories are: lifetime unlimited permits, five-year unlimited permits and fourteen-day permits. (Ord. 19-5 § 1; Ord. 17-5 § 1)

17.77.020 Definitions.

"Five-year unlimited permit" allows the property owner to rent the property any and all days of the year. This permit expires and cannot be renewed at the end of five years.

The five-year period begins on the date that the permit is issued.

"Fourteen-day permit" allows the property owner to rent the property to one tenancy group once in a fourteen-day period of time.

"Lifetime unlimited permit" allows the property owner to rent the property any and all days of the year. Upon the sale or transfer (see definition in this section), the lifetime unlimited permit is void.

"Persons," for the purposes of this chapter, means the natural person or legal entity that owns and holds legal and/or equitable title to the property. If the owner is a natural person, or where the natural person has transferred his or her property to a trust where the natural person is the trustor, that person can have an ownership right, title, or interest in no more than one dwelling unit that has a rental permit. If the owner is a business entity such as a partnership, a corporation, a limited liability company, a limited partnership, a limited liability partnership or similar entity, any person who owns an interest in that business entity shall be considered an owner and such a person can have an ownership right, title, or interest in no more than one dwelling unit that has a rental permit.

"Professional management", for purposes of this chapter, means management of a short-term rental unit by a licensed property management company holding a Cannon Beach business license, engaged primarily in the business of managing rental property, and with a physical office in Cannon Beach or within the distances specified in Section 17.77.080(A).

"Sale or transfer," for purposes of this chapter, means any change of ownership during the lifetime of the permit holder or after the death of the permit holder whether there is consideration or not except a change in ownership where title is held in survivorship with a spouse, or transfers on the owner's death to a trust which benefits only a spouse for the spouse's lifetime, or lifetime transfers between spouses. A permit holder may transfer ownership of the real property to a trustee, a limited liability company, a corporation, a partnership, a limited partnership, a limited liability partnership, or other similar entity and not be subject to permit revocation pursuant to this section so long as the transferor lives and remains the only owner of the entity. Upon the transferor's death or the sale or transfer of his or her interest in the entity to another person, the short-term rental permit held, in all or part, by the transferor shall be void. (Ord. 19-5 § 1; Ord. 17-5 § 1)

17.77.030 General provisions.

A. No person shall occupy, use, operate or manage, nor offer or negotiate to use, lease or rent a dwelling unit in the RVL, RL, R1, R2, R3, MP and RAM zones for short-term rental occupancy except:

- 1. A dwelling for which there is a short-term rental permit (either a lifetime unlimited permit, a five-year unlimited permit or a fourteen-day permit) issued to the owner of that dwelling by the city; or
- 2. A dwelling which has been approved by the city for use as a bed and breakfast establishment.
- B. No person shall be issued a new short-term rental permit who holds another

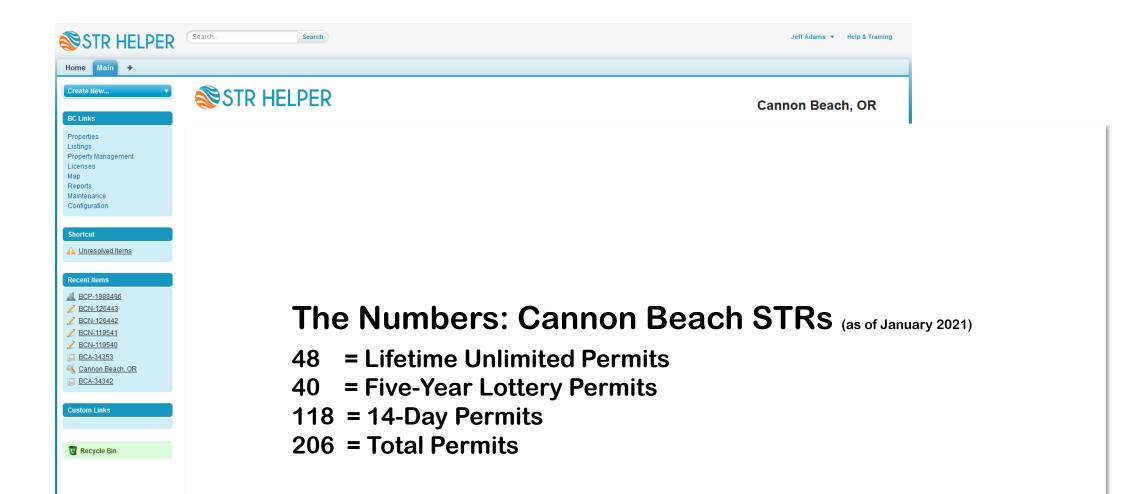
short-term rental permit. All types of rental permits are issued to a specific owner of a specific dwelling unit. The rental permit shall be void when the permit holder sells or transfers the real property, as defined in this chapter, which was rented pursuant to the short-term rental permit.

C. Solid Waste Collection. Weekly solid waste collection service shall be provided during all months that the dwelling is available as a rental pursuant to this chapter.

D. Permit Posting. The rental permit shall be posted within the dwelling adjacent to the front door. In addition, a tsunami evacuation route map shall also be posted in the rental dwelling. (Ord. 19-5 § 1; Ord. 17-5 § 1)

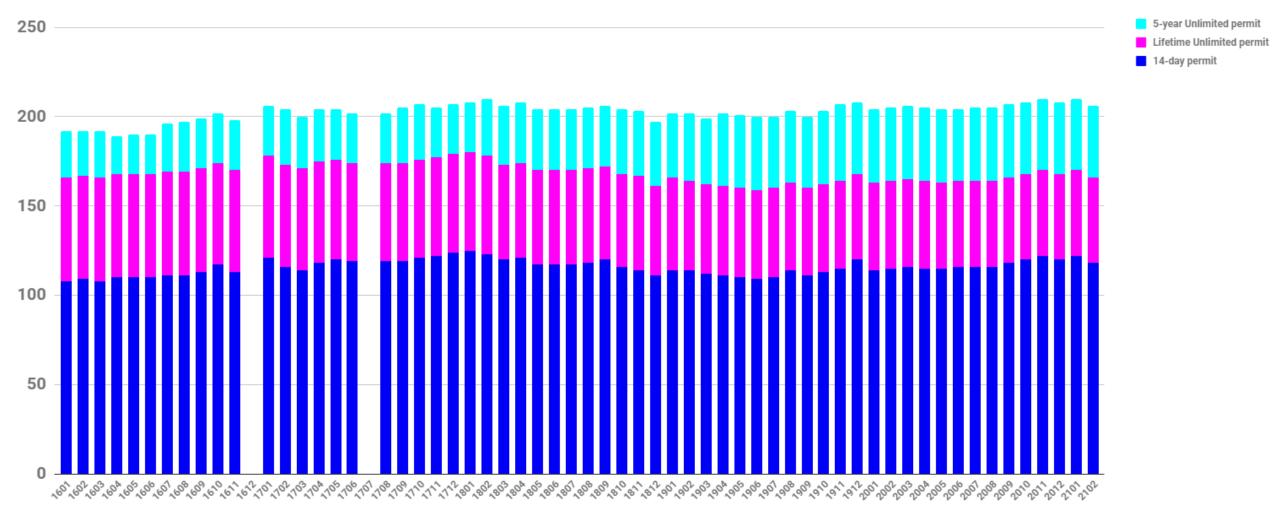






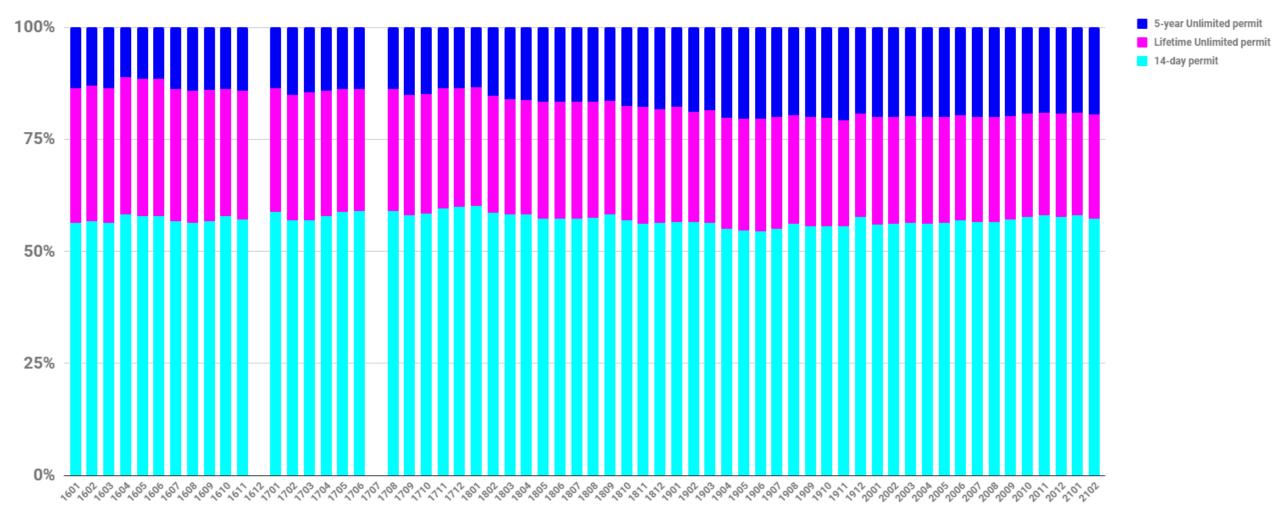


Cannon Beach STR Totals

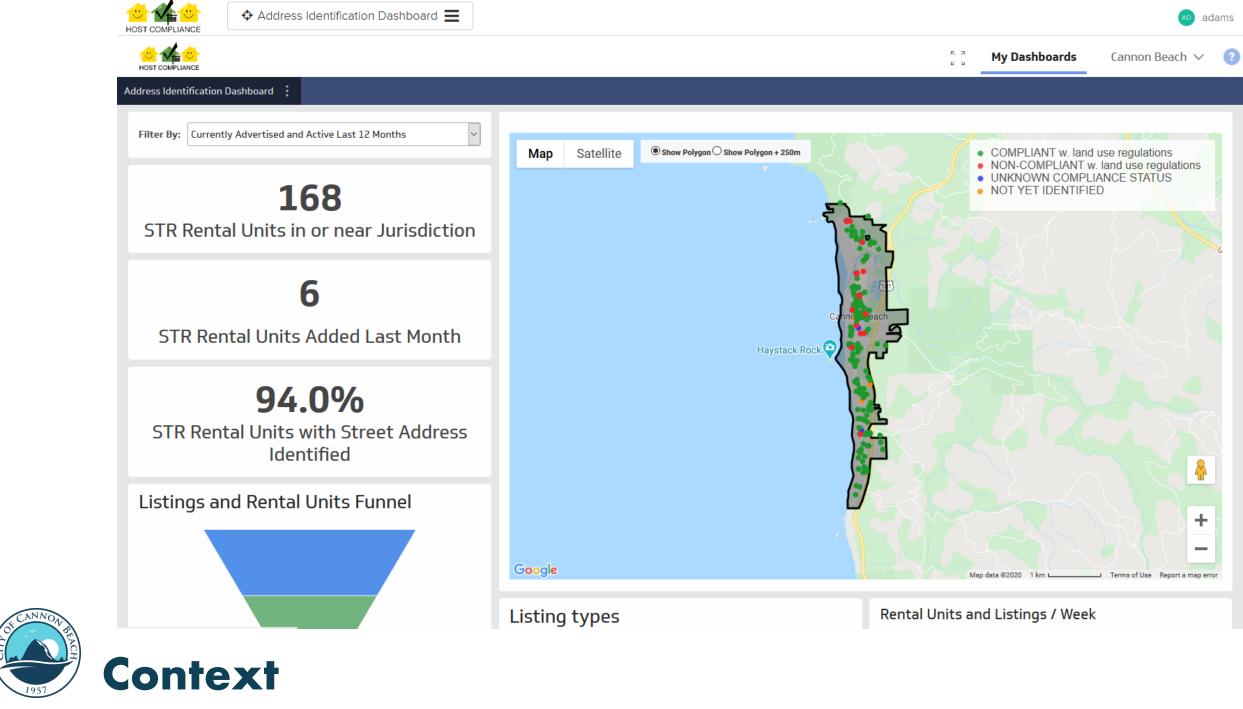




Cannon Beach Short-Term Rentals Percentage by Type

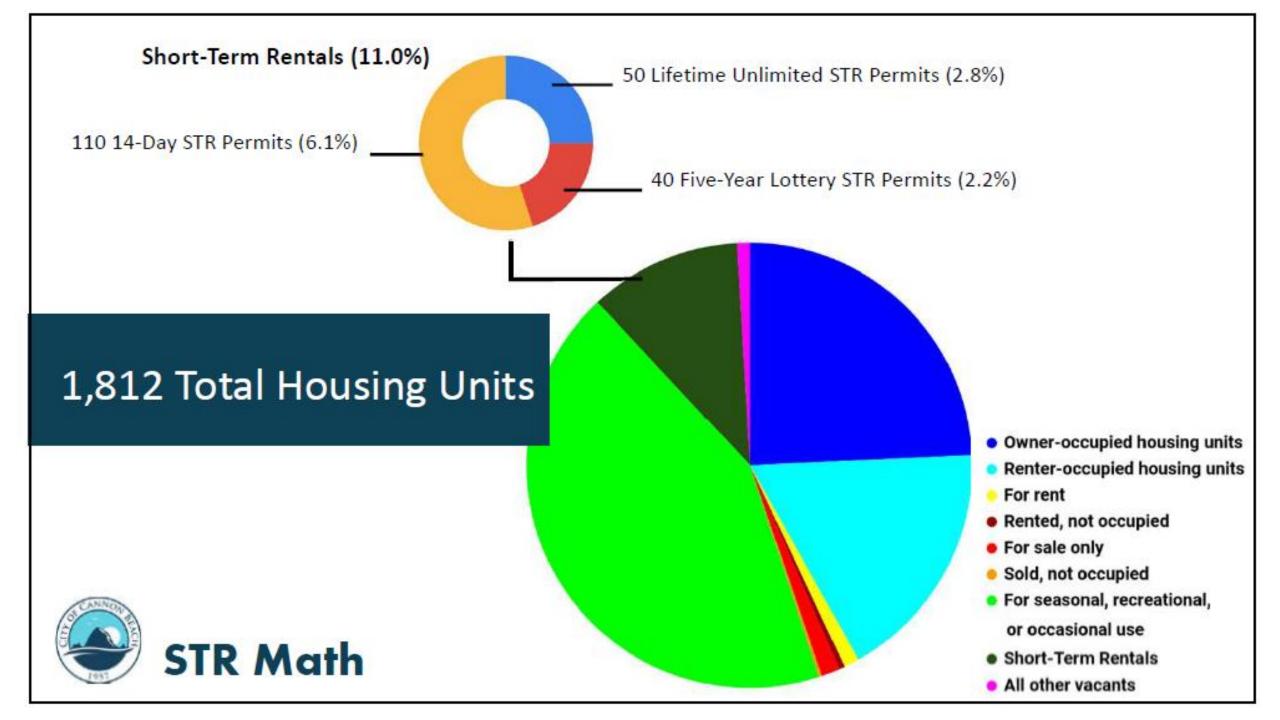


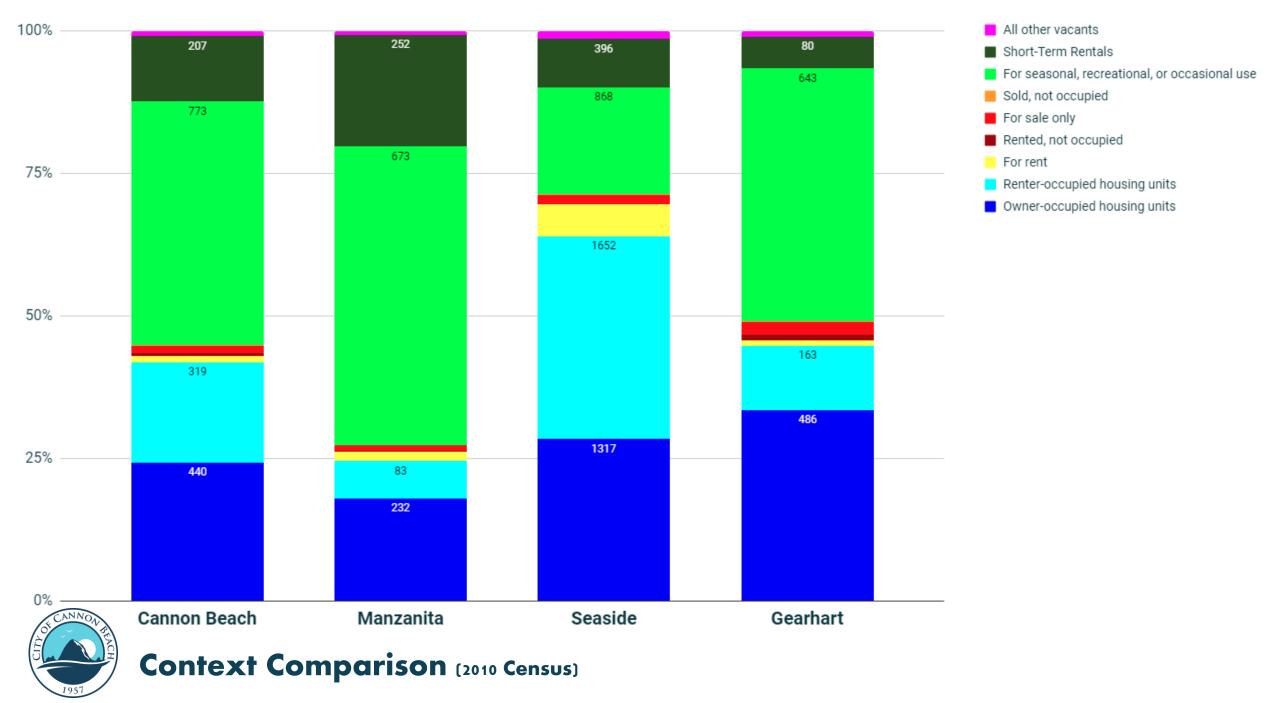


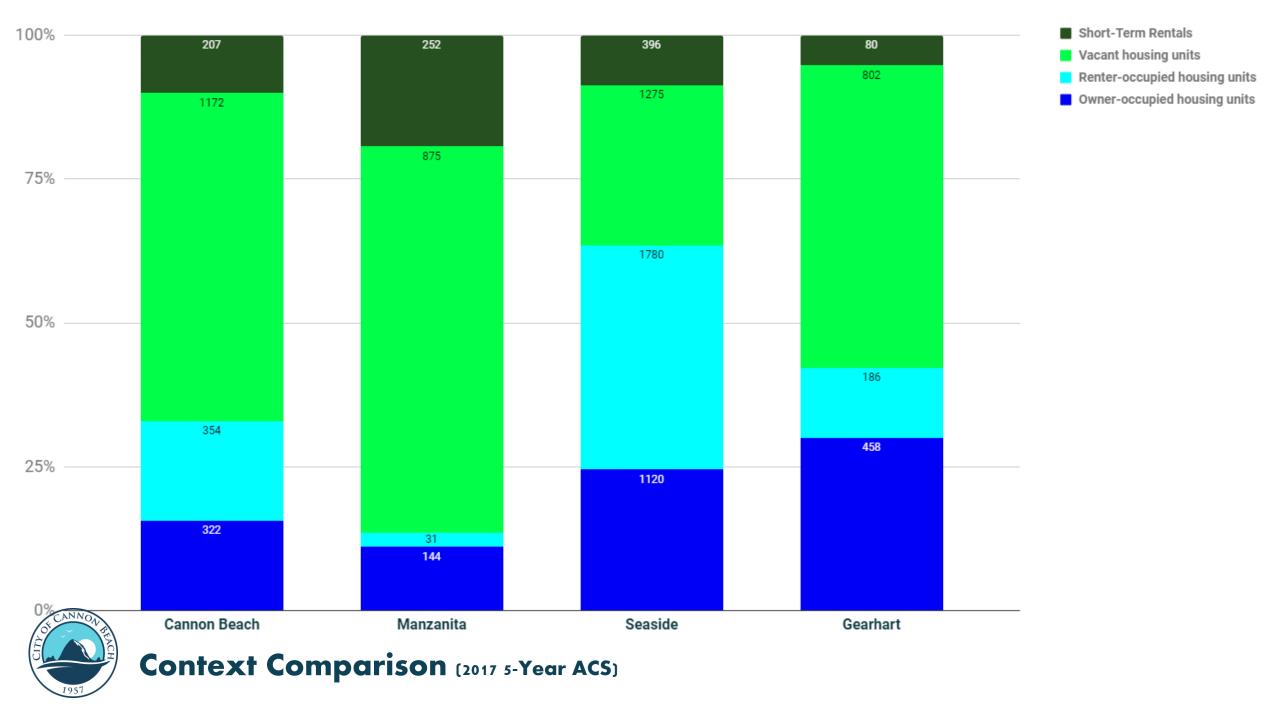


- 1. U.S. Census
- 2. American Community Survey
- 3. Short-Term Rental Audit
- 4. Host Compliance/STR Helper
- 5. Code Complaints
- 6. Utilities
- 7. County Assessor & GIS
- 8. Transportation System Plan









The Math (14-day, Lifetime & 5-year rentals in Cannon Beach)

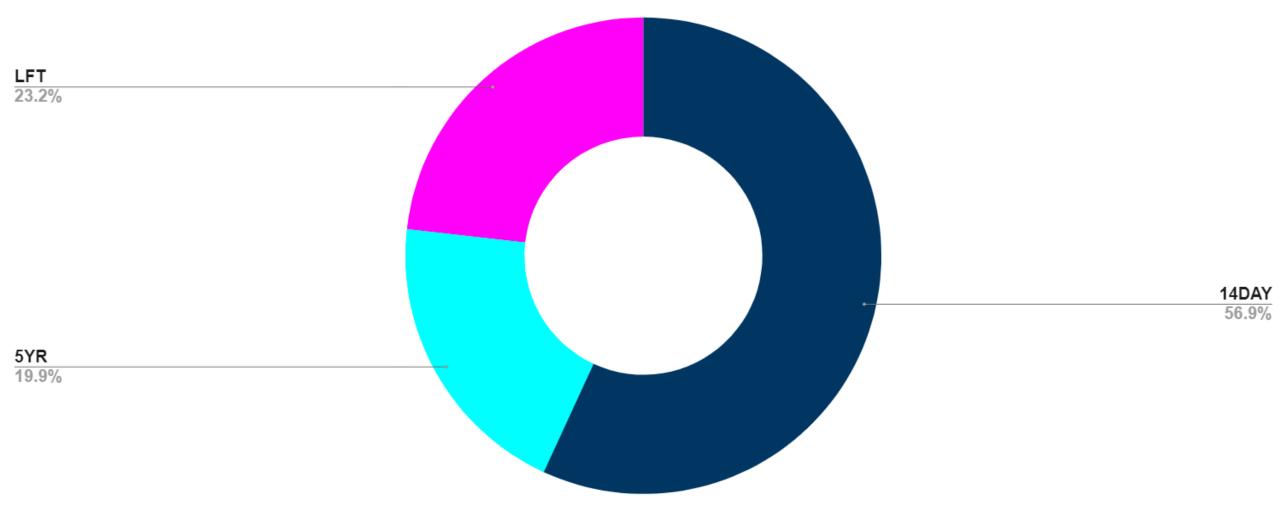
	Totals		LT		5YR		14D	
	2018	2020	2018	2020	2018	2020	2018	2020
Avg. stays per unit per year	20.4	20.1	32.6	32.5	32.7	32.3	11.6	10.6
Avg. nights rented per unit per year	88.1	86.4	128.7	123.7	126.4	109.8	60.7	62.2
Average length of stay	4.3	4.3	4.0	3.8	3.9	3.4	5.2	5.9
Total number of nights rented	16913.0	16755.0	6306.0	5690.0	4172.0	4283.0	6435.0	6782.0
Total number of stays	3909.0	3902.0	1596.0	1493.0	1080.0	1259.0	1233.0	1150.0



2020 Audit				
	RETURNED	TOTAL	%	
14DAY	109	120	90.8%	
5YR	39	42	92.9%	
LFT	46	49	93.9%	

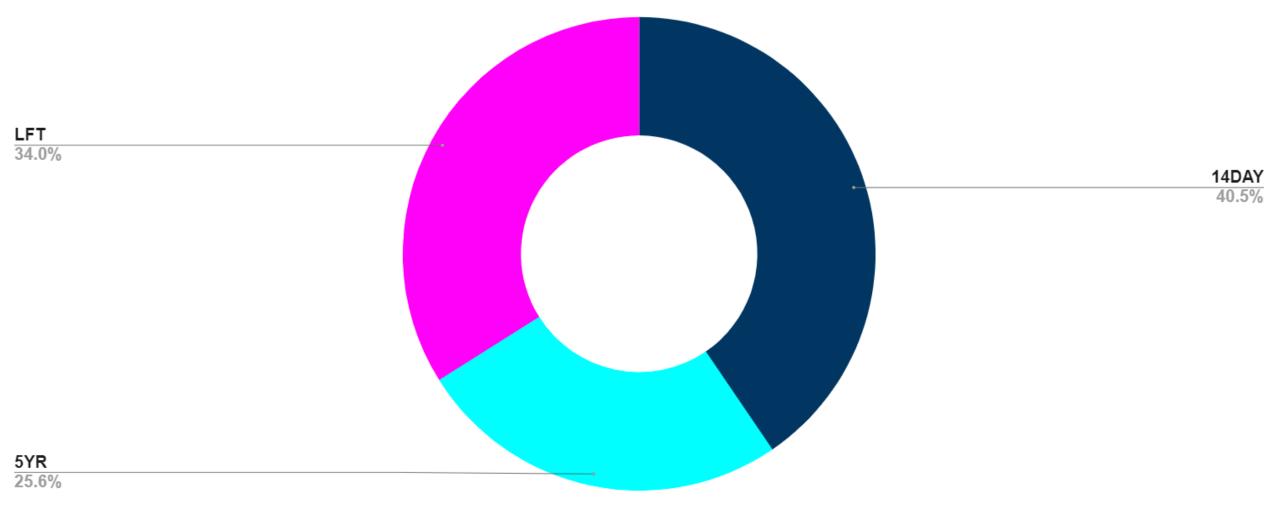


2020 Total Percentage Permits by Type





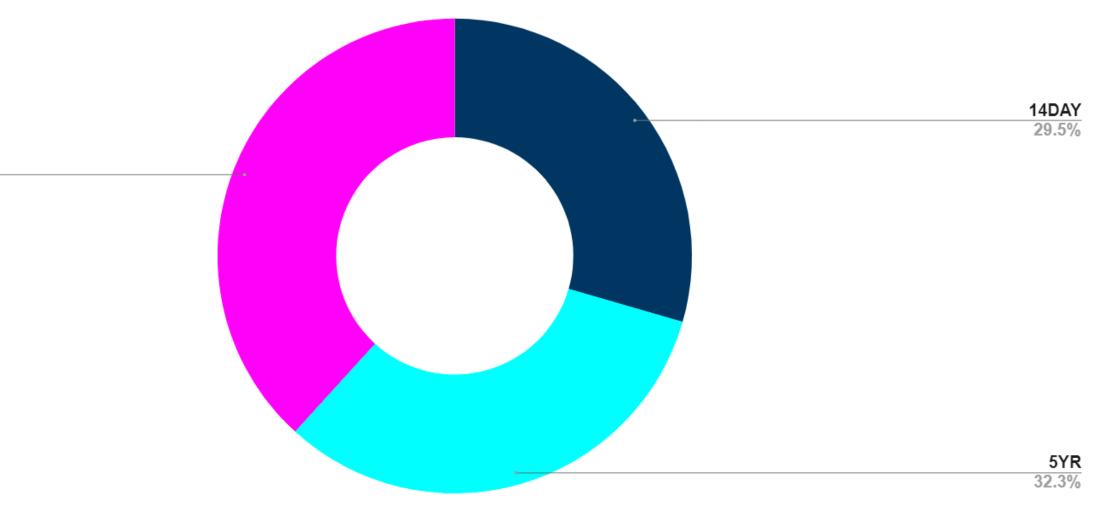
2020 Total Percentage Nights per Type





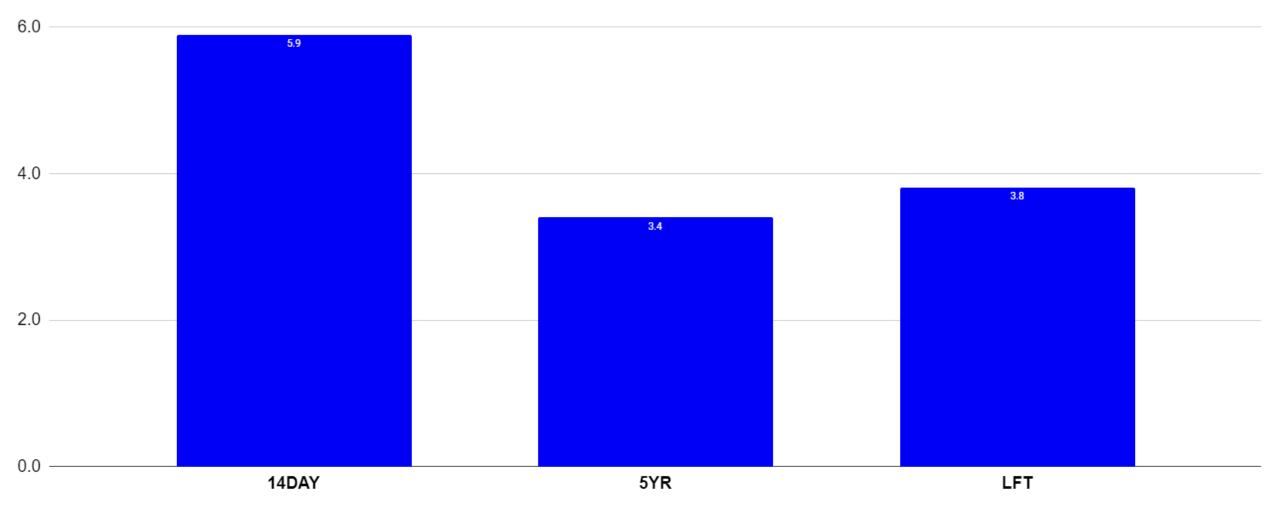
2020 Total Percentage Stays per Type

LFT 38.3%



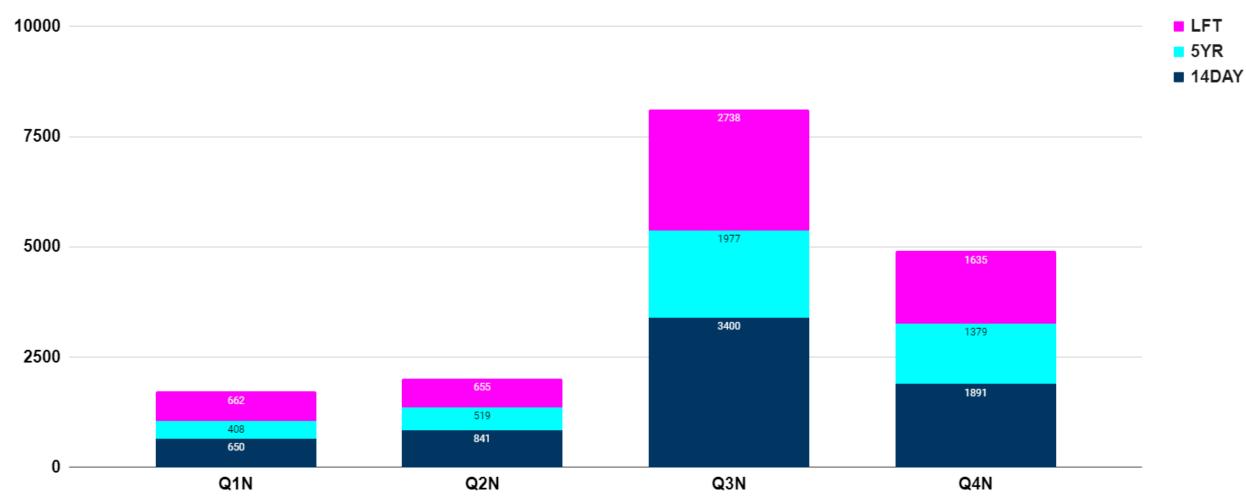


2020 Total Nights per Stay



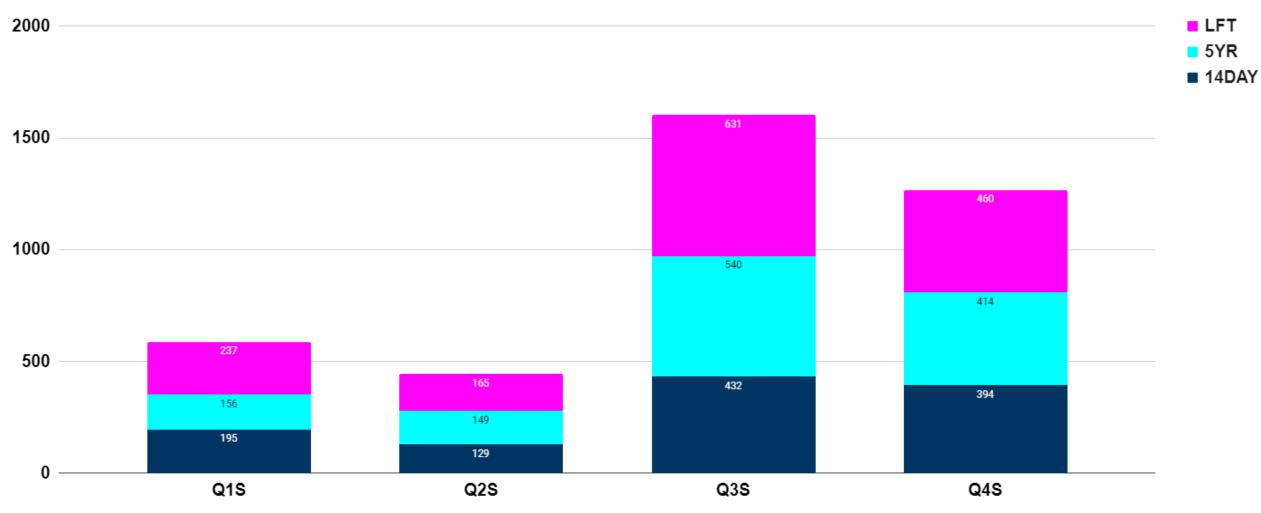


2020 Quarterly Nights by Type



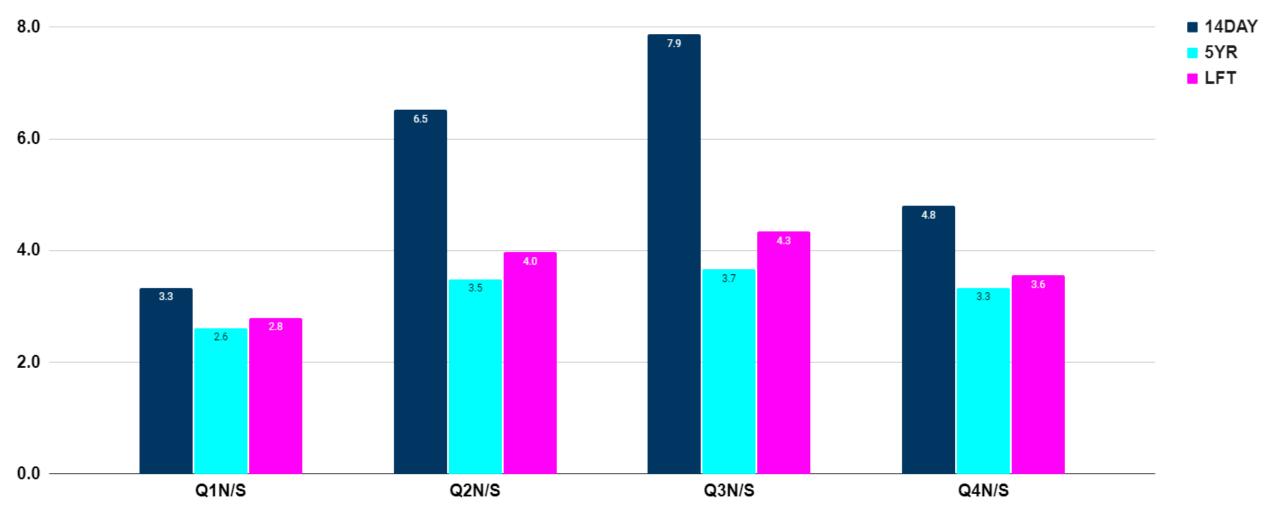


2020 Quarterly Stays by Type



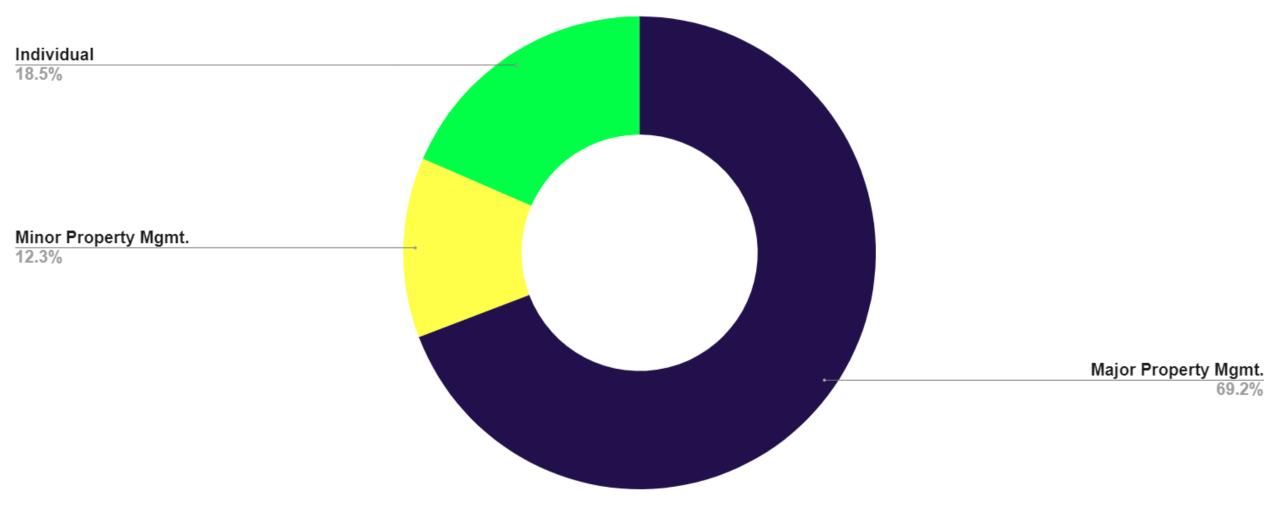


2020 Quarterly Nights per Stay



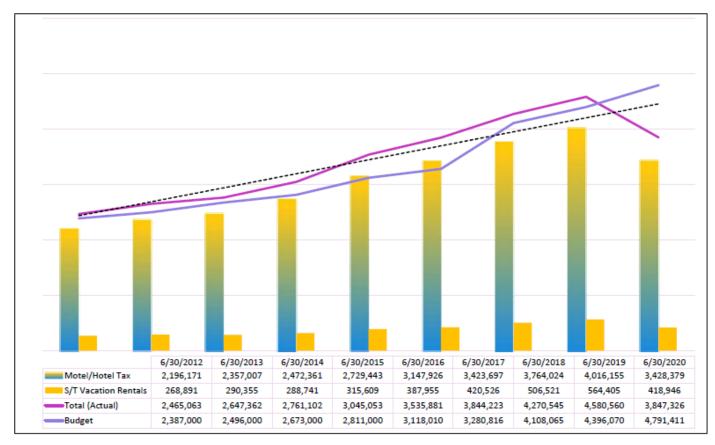


2020 Percentage by Property Management Type





Transient Room Tax



6/30/2012 6/30/2013 6/30/2014 6/30/2015 6/30/2016 6/30/2017 6/30/2018 6/30/2019 6/30/2020

Motel/Hotel Tax	2,196,171	2,357,007	2,472,361	2,729,443	3,147,926	3,423,697	3,764,024	4,016,155	3,428,379
S/T Vacation Rentals	268,891	290,355	288,741	315,609	387,955	420,526	506,521	564,405	418,946
Total (Actual)	2,465,063	2,647,362	2,761,102	3,045,053	3,535,881	3,844,223	4,270,545	4,580,560	3,847,326
Budget	2,387,000	2,496,000	2,673,000	2,811,000	3,118,010	3,280,816	4,108,065	4,396,070	4,791,411



Violations

COMPLAINTS	TOTALS	STR Possible	STR Confirmed	Monitoring
Internal	261	4	2	2
External	173	18	1	7



BEFORE THE CITY OF CANNON BEACH

FOR THE PURPOSE OF RAISING THE SHORT-TERM) RESOLUTION NO. 21-RENTAL RATES

INTENT AND PURPOSE. The intent and purpose of this Resolution is to update the Short-Term Rental rates and update the land use fees schedule for the City of Cannon Beach.

WHEREAS, the City of Cannon Beach has reviewed its fee schedule for various land use related planning applications including, Short-Term Rentals and other local planning and zoning applications; and

WHEREAS, the City of Cannon Beach has set and assessed fees and deposits for various land use planning applications, appeals, petitions, right-of-way encroachment waivers and tree removal permits in accordance with requirements of the Oregon Revised Statutes; and

WHEREAS, the City of Cannon Beach has determined that such fee and deposit requirements may vary from time to time; and

WHEREA						
NOW, THEREFOI				Initial	Re-inspection	
1. Adopts the	Short Term Rentals	Initial License	Annual Fee	Inspection Fee	Fee	Notes
2. This resolu	Cannon Beach	275	75	106		
	Astoria	500/2yr	150/2 year	300		Allow independent inspections
PASSED b the following roll c	Bend	275	200			
						Only accepting applications from R3 zone and condos; some condos
YEAS: NAYS:	Gearhart	600	600	125	50	have their own rental pool, not licensed through the city
EXCUSEL	Manzanita	250	250	75	75	Reinspection required every 5 years, proposed for every 3 years
	Newport	300	230	80		
	Seaside (5 or less occupancy)	450	450			\$20 Initial processing fee; \$430 Initial Planning Review Fee
	Seaside (6-10 occupancy)	500	500			Planning Review Fee goes to \$670 if it goes to the PC, when near
	Seaside (11-12 occupancy)	550	550			other STRs; Inspection and reinspection fees are included in Fees;
44444	Sisters	100	100			
Attest:						



Bruce St. Denis, City Manager

Short-Term Rentals 2020 Fees Update



City of Cannon Beach 2021 Land Use Fees Schedule

COMMUNITY DEVELOPMENT - PLANNING

Pursuant to ORS 215.416(10), the following fees represent the average cost of processing each permit application. If the actual cost of processing a permit processed as a Type II, Type III, or an appeal of a Type II or Type III decision exceeds the amount of the fee by more than 20% because of the detailed nature of the proposal or the number of hearings that are required, the applicant shall be responsible for paying the full amount of the actual cost.

Administrative Appeal	\$600	t
Amendment to the Comprehensive Plan	\$1,500	4
Amendment to the Zoning Ordinance	\$1,500	1
Amendment to the Zoning Map	\$1,500	1
Annexation	\$1,000	1
Appeal: Planning/DRB decision –	\$1,000	1
Comprehensive Plan Text Amendment	\$1,500	1
Conditional Use Permit/Permit Extension	\$750	(
Design Review Plan: Minor Modification	\$50	(
Major Modification, partial review	\$200	C
Major Modification, full review	\$600	
Developmental Permit – Type 2	\$100	
Developmental Permit – Type 3	\$250	I
Lot Line Adjustment	\$250	C
Off-Street Parking & Loading Facilities Variance	\$500	ι
Partition	\$500	C
Reimbursement District	\$750	F
Right-of-Way Encroachment Waiver	\$400	F
Right-of-Way Access Permit	\$25	F
Setback Reduction	\$500	F
Sign Permit	\$50	5
Freestanding Sign Permit	\$100	5
Short-Term Rental Permit- Annual Renewal Fee	\$75	F
Short-Term Rental Permit- Initial Fee	\$275	S
Short-Term Rental Permit – Inspection Fee	\$106	S
Short-Term Rental Permit - Change of Local Representative	\$75	5
Sign Variance	\$500	S
Street Vacation	\$1,000	S
Subdivision/Planned Development	\$2,000	S
Subdivision/PUD Extension	\$500	S
Tree Removal Permit 1-4 Trees	\$50	S
5 or more trees	\$100	1
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Z hi g white tio Lette	ntals 2020 Fee	Ċ
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City of Cannon Beach 2021 Land Use Fees Schedule (March 2, 2021)

COMMUNITY DEVELOPMENT - PLANNING

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Comprehensive Plan Text Amendment	\$1,500
Conditional Use Permit/Permit Extension	\$750
Design Review Plan: Minor Modification	\$50
Major Modification, partial review	\$200
Major Modification, full review	\$600
Developmental Permit – Type 2	\$100
Developmental Permit – Type 3	\$250
Lot Line Adjustment	\$250
Off-Street Parking & Loading Facilities Variance	\$500
Partition	\$500
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Right-of-Way Encroachment Waiver	\$400
Right-of-Way Access Permit	\$25
Setback Reduction	\$500
Sign Permit	\$50
Freestanding Sign Permit	\$100
Short-Term Rental Permit- Annual Renewal Fee	\$500
Short-Term Rental Permit- Initial Fee	\$500
Short-Term Rental Permit – Inspection & Re-Inspection Fee	\$106
Short-Term Rental Permit - Change of Local Representative	\$100
Sign Variance	\$500
Street Vacation	\$1,000
Subdivision/Planned Development	\$2,000
Subdivision/PUD Extension	\$500
Tree Removal Permit 1-4 Trees	\$50
5 o mo e trees	\$100
🕄 🔐 n. 🐨 ye/V 🔞 te 🐼 y 🚳 . 💮	\$500
Zoning Verification Letter	\$50



Zoning Amendments

- 1 PROPOSED MODIFICATIONS TO TITLE 17 ZONING
- 2
- 3 DECEMBER 2020 PC EDITION
- 4

5 AFFECTING CHAPTERS 4 DEFINITIONS, 54 ACCESSORY USES GENERALLY, 74 BED AND 6 BREAKFAST ESTABLISHMENTS, 77 SHORT-TERM RENTALS, 78 OFF-STREET PARKING & 80 7 CONDITIONAL USES, INCLUDING SECTIONS OF 8 RESIDENTIAL VERY LOW DENSITY, 10 8 RESIDENTIAL LOW DENSITY, 12 RESIDENTIAL MODERATE DENSITY, 14 RESIDENTIAL MEDIUM 9 DENSITY & CREATING A NEW SECTION 125, FOR LARGER ACCESSORY DWELLING UNITS, AND 90 10 GENERAL REQUIREMENTS AND REGULATIONS, PERTAINING TO UNIT SIZE LIMITATIONS AND 11 EXCEPTIONS TO BUILDING HEIGHTS.





29 Chapter 17.74 BED AND BREAKFAST ESTABLISHMENTS

Accessory & Unit Size Amendments | Planning Commission December 22, 2020

1 17.74.010 Required standards.

- 2 Bed and breakfast establishments shall conform to the following standards:
- 3 A. The number of guest bedrooms shall be limited to two;
- 4 B. The dwelling must be owner occupied;
- 5 C. In addition to required parking for the residents, one off-street parking space for each bed and
 6 breakfast bedroom shall be provided;
- D. Signs shall be limited to one non illuminated wall sign not exceeding one and one-half square feet in
 area;
- 9 E. A city business license is required.
- 10 F. Any change of ownership shall require a new conditional use approval.



12 Chapter 17.77 SHORT-TERM RENTALS

13 17.77.030 General provisions.

- 14 A. No person shall occupy, use, operate or manage, nor offer or negotiate to use, lease or rent a
- dwelling unit or portion of a dwelling unit in the RVL, RL, R1, R2, R3, MP and RAM zones for short-term
- 16 rental occupancy except:

17 17.77.090 Occupancy and parking.

- 18 A. Off-street parking is required as specified below. Occupancy is limited by the number of bedrooms,
- 19 and by the number of available off-street parking spaces as specified in the following table.
- 20 B. Occupancies over 10 persons are required to have fire-suppression sprinkler systems to meet Oregon
- 21 Building and Fire-Safety Code requirements.
- 22

Bedrooms (a)	Maximum occupancy (b) (c)	Minimum off-street parking (d)
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Accessory & Unit Size Amendments | Planning Commission December 22, 2020

Short-Term Rentals

Bedrooms (a)	Maximum occupancy (b) (c)	Minimum off-street parking (d)
1	6<u>4</u>	2
2	6	2
3	8	3
4	10	4
5	12	4



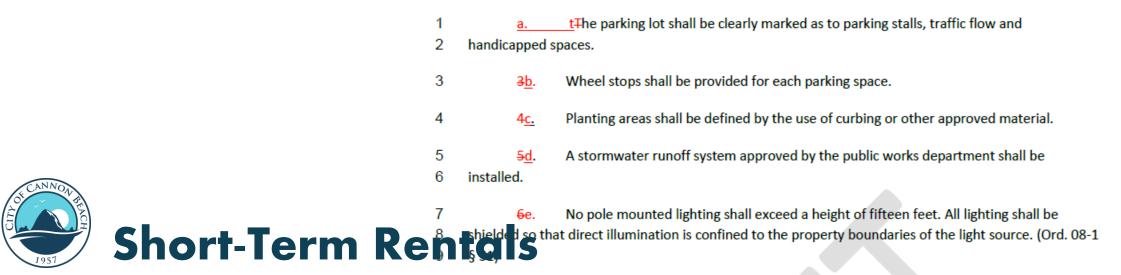
10 Chapter 17.78 OFF-STREET PARKING

11 17.78.040 Improvement standards.

12	Α.	The following improvement standards shall apply to off-street parking areas , except for
13	those associat	ted with single-family dwellings, modular housing, manufactured homes, accessory
14	dwellings, du	olexes and limited triplexes:
15 16	1. pavers.	The surface material shall be an approved hard surface such as asphalt, concrete, or
17	2.	For all commercial and multi-family developments:

Accessory & Unit Size Amendments | Planning Commission December 22, 2020

6



18 Chapter 17.90 GENERAL REQUIREMENTS AND REGULATIONS

19

17

- 20 17.90.062 Unit size limitations.
- 21 All single-family dwellings, modular housing and manufactured homes located in the RVL, RL, R1, R2,
- 22 RAM, R3, RM, and C1 zones shall be limited to 2,000 square-feet of gross floor area.
- 23
- 24 {...}

25 17.90.080 Exceptions to building height regulations.

- 26 Projections such as chimneys, spires, domes, elevator shaft housings, towers, wind generators,
- 27 aerials, flagpoles and other similar objects not used for human occupancy, serving utilitarian or
- 28 institutional purposes and only accessible by exterior means are not subject to the building
- 29 height limitations of the zoning ordinance.
- 30

Accessory & Unit Size Amendments | Planning Commission December 22, 2020





HOW TO ACCOMPLISH WHAT YOU WANT TO DO IN MEETINGS

MAIN MOTION

You want to propose a new idea or action for the group.

- After recognition, make a main motion.
- Member: "Madame Chairman, I move that _____.

AMENDING A MOTION

You want to change some of the wording that is being discussed.

- After recognition, "Madame Chairman, I move that the motion be amended by adding the following words _____."
- After recognition, "Madame Chairman, I move that the motion be amended by striking out the following words _____."
- After recognition, "Madame Chairman, I move that the motion be amended by striking out the following words, _____, and adding in their place the following words _____."

REFER TO A COMMITTEE

You feel that an idea or proposal being discussed needs more study and investigation.

 After recognition, "Madame Chairman, I move that the question be referred to a committee made up of members Smith, Jones and Brown."

POSTPONE DEFINITELY

You want the membership to have more time to consider the question under discussion and you want to postpone it to a definite time or day, and have it come up for further consideration.

• After recognition, "Madame Chairman, I move to postpone the question until

PREVIOUS QUESTION

You think discussion has gone on for too long and you want to stop discussion and vote.

After recognition, "Madam President, I move the previous question."

LIMIT DEBATE





Next Steps

adams@ci.cannon-beach.or.us | City of Cannon Beach | Community Development Department