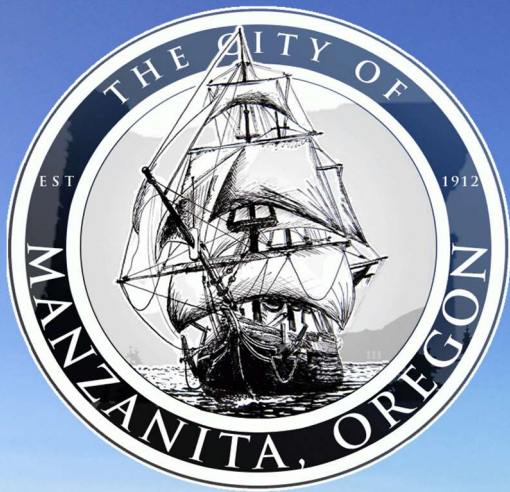


# **REPORT TO THE MANZANITA CITY COUNCIL**

## **SHORT-TERM RENTALS IN OUR COMMUNITY AND THEIR IMPACT ON NEIGHBORHOOD LIVABILITY**



**SHORT-TERM RENTAL ORDINANCE  
OVERSIGHT WORKGROUP**

February 15, 2021

## ACKNOWLEDGEMENTS

The Short-Term Rental Ordinance Oversight Workgroup of public officials, citizen volunteers, and industry experts were appointed by Manzanita Mayor Mike Scott in October 2019. The Workgroup was charged with the responsibility of identifying and categorizing potential strategies with focus on recommendations to improve livability challenges created by short-term rentals in Manzanita. The Workgroup met routinely over a period of 16-months. This report is a testament to not only their efforts, but those of countless citizens and volunteers who acted with purpose and dedication to improving Manzanita neighborhoods.

*“The spirit of service is the heart of humanity.”*

— Lailah Gifty Akita

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# Section One

## BACKGROUND

The background materials are provided to help the reader understand the history and the efforts of the Workgroup. The Background section includes the following material:

- Introduction
- Methodology
- Discussion of the Community Survey Results

## INTRODUCTION

Visitor use of short-term rentals in Manzanita has a long and somewhat storied history. Use of private homes for beach lodging goes back many years, but the beginning of 1990's saw an explosion in seasonally rented properties. With the availability of rental housing, combined with large population gains in the more metropolitan portions of both Oregon and Washington, Manzanita suddenly found itself a vacation "destination" for those wishing a relatively nearby stay in what was billed as a "quiet and charming" beach town.

As the 90's continued, the City began to experience the effects of more and more tourism. Some in the community began to raise alarms. They witnessed increased traffic, unfamiliar strangers in their town and they began to wonder what was to become of what had been an idyllic village. In 1995, the City took steps to begin providing guidance and oversight for how rentals in the neighborhoods should be administered. Around the same time, voters in the State implemented a property tax relief effort that capped property tax rates into perpetuity. The plan was to cap local property tax rates at what they were at the time of bill passage. For Manzanita, that meant a tax of \$0.42 per \$1000 of property value, one of the lowest in the state.

As the number of short-term rentals began increasing, the level of turmoil over rental properties continued to escalate. In fact, a recall election was held in 1996 specifically regarding decisions made by the Council regarding STR's. As a result, a city ordinance was passed that year which provided guidelines and regulations surrounding the use and management of rentals. In addition, it levied a nightly tax on properties that was intended to help fund city operations, including Police, parks, and various city administrative functions. This was the early beginnings of efforts to manage the effect short-term rentals and lodging properties in the community.

Over the ensuing decades, efforts to improve Ordinance 10-3, the short-term rental ordinance, resulted in positive changes on several occasions. It became clear during that period that the early work of the 90's had positioned Manzanita well, as oversight and enforcement efforts were just in the beginning stages in other jurisdictions in the region and across the country. The effect of Workgroup recommendations found in this report are intended to build on the City's previous success.

## METHODOLOGY

The workgroup used several methods and strategies to collect data, capture industry standards and expert testimony, while ensuring ample opportunity for citizen input. All Workgroup meetings were published in advance and emails were sent to a list of STR stakeholders. Additional citizen notification utilized a variety of city communication methods and all meetings were conducted in an open and collegial way.

Initially, the workgroup began the process by discussing how short-term rentals were viewed by citizens and stakeholders and what impact they may or may not have on neighborhood livability. Neighborhood livability was considered by the group to include issues such as the influences of noise, lighting, crime, traffic, parking, and the general sense of well-being. Not included in livability issues were administrative changes that were suggested by the City to provide clearer and more easily understood ordinance language.

Several key topics were identified from the outset that were based on workgroup experience, knowledge or comments initially made by meeting participants. They included parking, noise, occupancy limits, lighting, and transportation impacts. Other important issues were discovered and discussed as we progressed through the various concerns, such as local complaint contact availability, emergency supply requirements, and even methodology for community members to access a complaint notification process.

In the final phase of the workgroup review, it was decided to approach any potential recommendations through a “change submittal” process that would allow anyone from the workgroup, stakeholders, or the public to suggest recommended changes. The template to submit changes was provided on the City website and the community was encouraged to submit all potential recommendations. As a result, numerous submittals were contributed to the process. The workgroup members scheduled special review periods over approximately three months to review each proposal and make formal recommendations regarding the disposition of each, including whether to recommend, deny or to refer the proposed changes for further study.

In the end, the workgroup has recommended approximately 20 courses of action that we believe will advance the cause of neighborhood livability. The concepts have been broken down into individual and specific recommendations, each of which has been further designated as belonging to immediate, short-range, and long-range strategies.

## COMMUNITY INPUT AND SURVEY

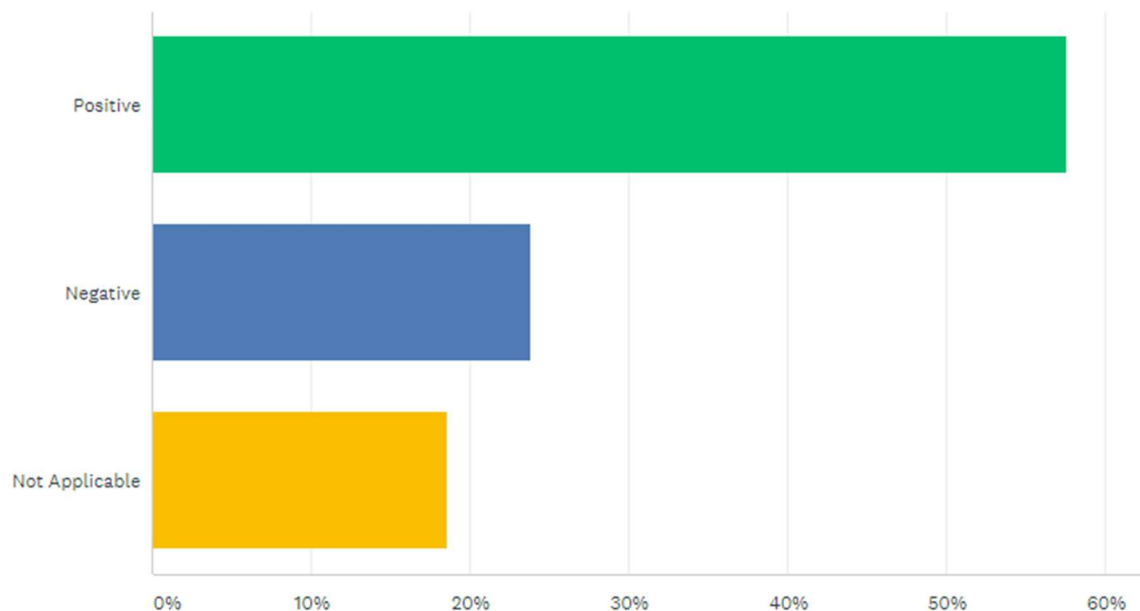
As part of a comprehensive outreach effort, the workgroup developed a survey which was sent to all STR owners and managers and people on other City email lists. It was posted on North County News, the City Facebook page, and on BBQ online bulletin board. The survey was designed to research and provide strategies to address community livability concerns and other regulatory issues as they relate to STRs. This included but was not limited to considerations of safety, maintenance of property, and good neighbor issues such as parking and noise. We used the results to develop best practices for our city to better achieve the regulation of the short-term rentals and improve neighborhood quality.

The workgroup tackled each of the major concerns and developed strategies to correct or add to current ordinances.

A pleasant surprise was that of the almost 500 people answering the survey, only 20% said that they had any issues with their near-by rental homes. However, that represents 100 respondents, and the workgroup gave full attention to each topic.

### In general, are your experiences with neighboring STRs positive or negative?

Answered: 403 Skipped: 94



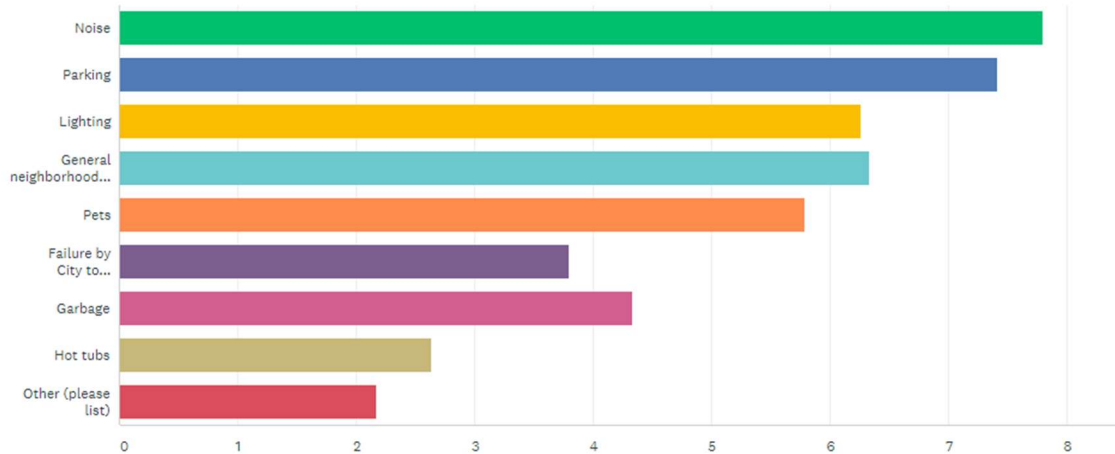
There were few surprises in the initial results. As expected, parking, noise, and unleashed dogs lead the list of things that neighbors identified as livability concerns. However, lighting was an eye-opening top concern as well.



Some issues, specifically lighting and noise ordinances (which also covers hot tub usage) would be

If you have had problems, identify the more troubling aspects of neighboring STR's (number in order of importance t

Answered: 296 Skipped: 201



sections new to the amended ordinance. Others, including density and/or an HOA exclusion, are not part of the workgroup's scope. However, there were so many comments relating to these issues, that much of the workgroup's time was spent trying to develop strategies to alleviate some of the concerns of the survey respondents. Below are a few of the comments on density/HOA exclusion:

- We live in a residential neighborhood. Not a commercial neighborhood where hotels are allowed. Yet, with 5 rentals near us, it is like living in a commercial neighborhood.
- #1 for us is the concentration of STRs. Our street has essentially been turned into a commercial zone despite R zoning. This produces congestion and triggers all the other problems.
- Our home is on Windward. Only one other existing house besides ours is not a STR. That really impacts the livability of our street/home that we have owned since 2001. So much so, we are contemplating moving to a development that has an HOA that does not allow STRs (only local one we are aware of is Pine Ridge).
- Our street has WAY too many STRS-they should be spread out better within the capped regions.
- What is the game plan for the Highlands development? How many "slots" are being occupied in the permitted STR pool that are not being used? Can this also be addressed? Where are the most likely sections of Manzanita to become STR? Mostly in the "hot zone" or elsewhere?

Complete survey results including comments can be found on the City website, <http://ci.manzanital.or.us>.

# Section Two

## IMMEDIATE STRATEGIES

The workgroup defined immediate strategies as those that could be implemented rather quickly, generally by an update of Ordinance 10-3. Depending on the approval of the City Council, recommendations contained in Section Two were considered achievable within 0 – 6 months. The following recommendations are included:

- 2.1 *Change of Definitions*
  - 2.3 *Identification Sign Posting*
  - 2.4 *Parking*
  - 2.5 *Owners and Local Agent Definition and Duties*
  - 2.6 *Garbage Storage and Removal*
  - 2.7 *Emergency Equipment*
  - 2.8 *Occupancy Capacity of STR Homes*
  - 2.9 *Lighting*
  - 2.10 *Noise*
- 2a. Administrative changes proposed by City.

## Recommendation 2.1 Definition(s)

The changes below are intended to improve existing language defining an “owner” of a short-term rental and changing the definition of local contact person to “local agent”.

### *Modify Section 1. Definitions (b) Owner*

#### **SECTION 1. DEFINITIONS**

**Owner:** ~~The person who owns the dwelling unit used as or proposed to be used as a short-term rental.~~ Any person or entity who, alone or jointly, has title to or an ownership interest in any dwelling unit to be used as a short-term rental.

### *Modify Section 1. Definitions (b) Local Contact Person*

~~Local Contact Person. The owner, a rental agency, security agency or other agent of the owner authorized to act for the owner.~~

**Local Agent:** Any person who has been contracted by the Owner and has full authority to act on the Owner’s behalf for purposes outlined in ordinance 10-3 Section 4.

## Recommendation 2.2 Initial Inspection

The following is intended to clarify requirements for compliance of short-term rentals with Ordinance 10-3 as well as other standards required by the City. It also clarifies that corrections shall follow the current edition of ORSC – Oregon Residential Safety Code.

### ***Modify Section 3. Short-Term Rental License Requirements. (d) Initial Inspection***

d. Initial inspection. At the time of initial application, the dwelling unit shall be inspected by the City Building Official or designee. The purpose of this short-term rental inspection will be to determine the conformance of the dwelling unit ~~with the State of Oregon Residential Specialty Code regulations related to potential safety issues, and with all other standards required by the City.~~ with this ordinance and all other standards required by the City. Applicants must correct any identified deficiencies ~~and a final safety inspection must be passed before a short-term rental license is issued.~~ and make corrections consistent with the provisions of the ORSC and required City standards prior to issuance of a short-term rental license.

Note: ORSC is the current edition of the Oregon Residential Safety Code

#### **REASONING:**

Current ordinance language implies that the proposed short-term rental must comply with the ORSC on the initial inspection. This expectation is onerous based on conditions that may have been allowed under previous code. Current ordinance language states that deficiencies must be corrected but fails to provide any recognizable standard of compliance.

## Recommendation: 2.3 Identification Sign Posting

Recommendation 2.3 is comprised of language change intended to improve identification of a short-term rental and provide basic information to provide easy contact in the event of an emergency or complaint.

### **Modify Section 4. Standards (4.b. Identification Sign)**

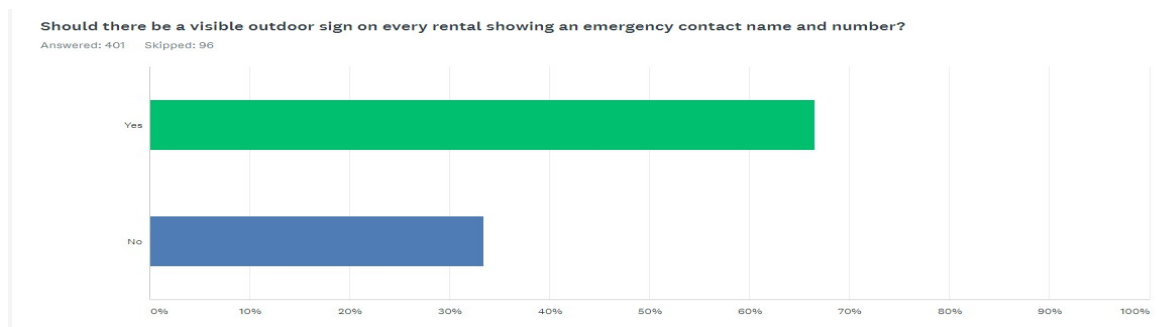
- b. Identification Sign.** In addition to the signs permitted by Section 4.070 of Ordinance 95-4 the owner or rental agency ~~may~~ shall provide and maintain a sign attached to the outside of the dwelling unit which identifies the dwelling unit as a short-term rental and lists a telephone number for the ~~applicable rental agency, if any, or other local contact person~~ Owner or Local Agent as required under Section 4(d). Such signage shall be visible from the street and shall be no smaller than 72 square inches nor larger than 90 square inches. Such sign shall include the City short term rental license number for the dwelling unit as described in Section 2(b) of this Ordinance.

**REASONING:** Conforms with Tillamook County. STR survey results show that of the 400 people who responded, over 75% of full-time residents and close to 70% overall would like a sign.

Should there be a sign outside?

|              | YES |     | NO  |     | TOTAL |
|--------------|-----|-----|-----|-----|-------|
| FT           | 135 | 75% | 29  | 16% | 164   |
| Less than 75 | 31  | 70% | 13  | 30% | 44    |
| Less than 50 | 49  | 64% | 28  | 36% | 77    |
| Less than 25 | 56  | 48% | 60  | 52% | 116   |
| TOTAL        | 271 | 68% | 130 | 32% | 401   |

Also, in a different part of the survey, most respondents (70%) suggested they do not have nor do they know how (60%) to find contact information for the neighboring rentals. Visible signage will help resolve this.



**IMPACT:** There is a minimal cost to the homeowners and rental companies to provide signs.

## Recommendation 2.4 Parking

Recommendation 2.4 is intended to provide detailed standards for short-term rental parking. Parking issues are one of the top complaints received by the city and experienced by the community regarding short-term rentals.

***Modify Ordinance 10-3, Section 4. Standards (4.c. Parking) by the following:***

- c. **Parking.** All short-term rental properties must provide off street parking spaces for a minimum of 2 vehicles. Such spaces shall not be blocked and shall be available to people using the short-term rental. Location and design of parking spaces shall comply with all applicable pertinent City ordinances, standards, and policies.

Short-term rental vehicles must be parked on designated and approved off-street parking surfaces up to a maximum of one per bedroom plus one. If a sufficient number of off-street parking spaces are not available for the authorized number of vehicles, then on-street parking shall be limited to one vehicle. Parking shall not, under any circumstances, hinder the potential path of any emergency vehicle. Trailers for boats and all-terrain vehicles may be allowed but shall not exceed the allowable on street parking for each short-term rental property. Renters may be cited and fined under existing State law or this Ordinance in the event they park illegally.

Vehicles of occupants of a short-term rental in other than the approved off-street and one (1) approved on-street parking spaces shall be prohibited between the hours of 10:00 p.m. and 8:00 a.m. Violators are subject to towing and impoundment.

A parking plan map and notice, identifying the City-approved number and location of parking spaces, shall be posted in a conspicuous place within each short-term rental. Language shall be included in the notice that parking shall not, under any circumstances, hinder the path of any emergency vehicle and that renters may be cited and fined if this requirement is not adhered to.

No recreational vehicle, travel trailer, tent, or other temporary shelter shall be used as, or in conjunction with, a short-term rental. No overnight occupancy or sleeping in a parked vehicle, including recreational vehicles is permitted within the Manzanita city limits.

**REASONING:** Parking at short-term rentals represents one of the top three complaints received by the City for STR's and the number two complaint on the STR survey. Over 150 people listed this as their number one complaint, and over 250 listed it as an issue. This is particularly a problem for those short-term rentals that have occupancies above 10. Many neighborhoods are severely impacted by an excessive number of vehicles, limiting livability. Renters often visit from different areas of the region or even the country, resulting in more vehicles than a typical household. The committee looked at restrictions utilized at other resort communities in and outside of the state. Vehicle congestion can be managed via a "tagging"

system identifying visitors or renters. However, citizens and short-term-rental owners and managers felt there were too many side issues to currently incorporate this control method. Discussions looking at severely limiting the numbers of vehicles allowed per STR were met with strong opposition by both STR owners and managers. We did agree that following Tillamook County parking language was a reasonable change from the present 10-3 language.

The proposed language is in large part duplicate to what is currently used in Tillamook County except for “on-street” parking, which is limited to one vehicle, as opposed to two allowed in Tillamook County. In addition, a parking-plan map shall be required and posted for each individual short-term rental so that the renter has knowledge of the allowed number and areas.

**IMPACT:** This section change will require additional City staff to ensure enforcement. Some of the language is repetition of existing regulations (no sleeping in parked vehicles, no hindering emergency vehicles) but much of it is specific to STR homes. There will also be additional work during the initial STR inspection to verify the number of parking spaces allowed for any given property.

The concept of requiring parking permits for some of the more congested areas would help with identification of illegally parked vehicles, but would require signage, and staff involvement to issue permits.

**NOTE:** *The workgroup also discussed the idea of an overflow lot, perhaps with a daily fee. (See Section Three – 3.3, Short Range Strategies)*

## Recommendation: 2.5 Owner and Local Agent Definitions and Duties

The changes below are intended to eliminate the term “local contact person” and replace with “owner” and “local agent”. In addition, new regulations outlining the responsibilities and duties of both owner and local agent are addressed.

### *Modify Section 4. Standards (4.d. Local Contact Person)*

**~~D. Local Contact Person.~~** ~~The owner shall post as required in Section 2(a) and keep on file with the City the name and telephone number of a local contact person(s) who shall be responsible for responding to questions or concerns regarding the operation of the short-term rental. This information must be kept current. Any change in local contact person must be reported to the City at least 14 days prior to the date the change takes effect. A new Short Term Rental Local Contact Person Registration form must be completed and submitted to the City, and the re-issued City license must be posted as required in Section 2(a) before the property may be again rented. Page 5 City of Manzanita Ordinance 10-03 regulating short term rentals (Amended by Ordinance 16-05; 12/7/16) The local contact person must be available to accept and immediately respond to telephone calls on a 24-hour basis at all times that the short-term rental is rented and occupied. At all other times, the local contact person shall respond within 24 hours. The local contact person must have a key to the rental unit and be able to respond physically within thirty (30) minutes to address issues at the dwelling unit or must have arranged for another person to perform the same duties within the same timeframe. The name and phone number of this alternative contact person must be kept on file with the City and be listed as a secondary local contact person on the Short-Term Rental License Certificate. The requirement for identifying a local contact person applies to each person or entity making arrangements for renting a given short-term rental.~~

**D. Owner and Local Agent Responsibilities** The Owner or Local Agent shall live within a 10-mile radius of the short-term rental and be able to respond in person within 20-minutes. If the Owner lives outside of a 10-mile radius, the Owner shall contract with a Local Agent.

The Owner or Local Agent shall be available to accept and immediately respond to complaints and other issues on a 24-hour basis at all times and be able to access the short-term rental. Once a complaint or issue is reported, the Owner or Local Agent shall immediately make direct contact with the renter or appropriate entity by phone to resolve the reported problem. If the problem cannot be resolved or an immediate resolution is not achieved by phone, the Owner or Local Agent shall make an in-person visit to the short-term rental to rectify the situation within 20-minutes.

The Owner or Local Agent shall maintain a consistent telephone number and email address by which to be reached 24-hours a day, 7 days a week, year-round.

The Owner or Local Agent shall post the short-term rental license as required in Section 2(a). The contact information of all Owners and Local Agents shall be kept current with the City of Manzanita at all times. Any change in contact information shall be submitted to the City on a



form provided by the City at least 14 days prior to the date changes will take effect. Once processed by the City, the Owner or Local Agent will be issued an updated Short-term Rental

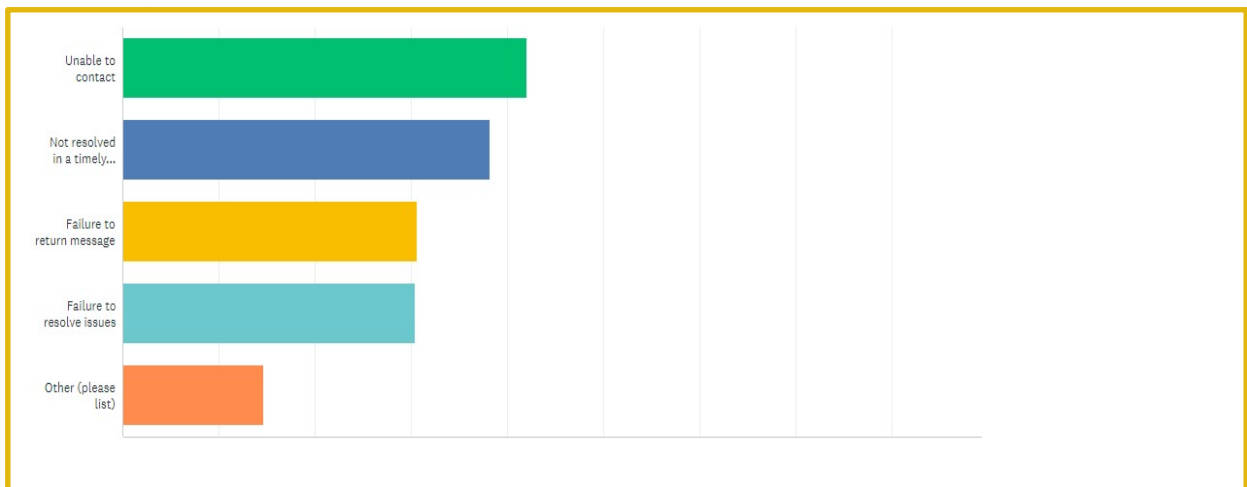
License which shall be posted as required in Section 2(a) before the property is occupied again. The names and contact information for Owners and Local Agents for purposes outlined in this section shall be publishable for use by the public and other entities to address short-term rental complaints and other issues.

### REASONING:

As shown below, survey respondents expressed problems with the ability to contact owners or agents, or problems with getting timely responses when facing issues with a rental property. In many cases, the City has experienced problems getting in touch with local agents.

If you have had problems with complaint resolution with an OWNER OR AGENT, identify the more troubling aspect of this

Answered: 104 Skipped: 393



This ordinance change accomplishes the following:

1. Changes the response time from 30 minutes to 20 minutes to match Tillamook County.
2. Requires that if the owner is not within a 10-mile radius, there must be a local agent that can respond in person if necessary.
3. Requires that “contact” must be direct, and if the renter is not reachable by phone, the owner or agent must make a visit to the property to resolve the problem.
4. Requires that the owner/agent contact information be consistent. One City problem has been that changeover in local agents can be common, and the contact information is not relayed to the City, resulting in an inability for the City, neighbors, or other entities to get in touch with the local agent.

**IMPACT:** This language puts more responsibility on owners and their agents to respond in a timely manner and may include more on-site visits to the rental property. For neighbors, the intent is to provide faster and better complaint resolution. As an additional note, a code

enforcement officer, recommended in section 3.2 as an additional City resource, would also help with this issue.

## Recommendation: 2.6 Garbage Storage and Removal

**Recommendation 2.6** relates to garbage service, requirements for pick-up and notification to renters regarding appropriate use of garbage services.

***Modify Section 4. Standards (e) Garbage Removal by the following:***

**E. Garbage Storage and Removal.** During periods of Rental, the Owner shall provide adequate covered and properly secured garbage containers in conformance with all related guidelines established by the City. Before the original license issuance and the annual license renewal, the Owner shall and provide the City with proof of side yard /walk-up garbage service from the local franchised garbage hauler. ~~for side yard/walk-up garbage removal.~~ Garbage shall be removed a minimum of one (1) time per week unless the Short-Term Rental is not being rented. Information providing directions to community recycling facilities shall also be provided in the Dwelling Unit. The Owner or agent shall notify guests that all garbage must be kept in the secured containers provided for that purpose.

**REASONING:** The previous document was not clear that it is mandatory that the STR has a side yard/walk-up service associated with the rental property.

## Recommendation 2.7 Emergency Equipment

Recommendation 2.7 is intended to provide additional requirements for the installation of emergency “GoBags” in each short-term rental property. It provides for the owner of the STR to be responsible for ensuring the bags are present within the structure, requires the posting of instructions dealing with natural and man-made disasters, and provides a description of the minimum supplies required to be included in each bag.

**SPECIAL NOTE:** The wording in this revision was not unanimous within the workgroup. While all in the group strongly agree that there is a need for emergency supplies for short-term renters, members of the group disagreed on the location of these supplies.

### ***Modify Section 4. Standards (F) Emergency Information***

f. Emergency information.

The owner shall provide in the dwelling unit information and equipment to assist renters in dealing with natural disasters, power outages and other emergencies. ~~The minimum information and equipment to be provided in the short term rental shall be as determined by resolution of the City Council.~~

This equipment shall include, but not be limited to, at least one “Go-Bag” for every two people on the city-issued occupancy limit. All GoBags are intended to be used by two persons and have these essential items:

two ponchos

two emergency blankets

two hand warmers

sixty-four oz. of water

one emergency water filtration system

food rations to supply a minimum of 12,000

calories (2,000 per day/ person) (e.g., Coast

Guard food bars)

whistle (a good quality one to call for help if

necessary)

basic first aid supplies

light source (e.g., light stick headlamp or

flashlight with batteries)

hand sanitizer

local evacuation map listing routes to the

nearest designated Assembly Areas

A sign showing the location of the GoBags must be clearly visible to all renters.  
Each home must also post an evacuation map, with the route from the rental to the nearest designated assembly area.

See Resolution-15-01-Appendix-A-Emergency-Information-for-Visitors for additional details.

**DISCUSSION:** Increased preparedness for occupants of rental homes was discussed to lessen the need for supplies, services, and care from Manzanita full and part-time households during the initial stages of an emergency. The workgroup was split on the issue, but by a 3-2 vote the workgroup felt that having GoBags in each rental unit could help do this. Others, including various stakeholders in the audience and on the workgroup, felt strongly that supplies would be better kept in a central location, out of the evacuation zone, and monitored by the City.

***Proponents of Central Location:***

Several residents that participated in the discussion felt that guests on vacation will be unlikely to retrieve a bag during an emergency. And worse, guests might secure their pets/children and then return to an unsafe area to retrieve a bag.

There was concern expressed about the potential of the bag being taken home or things being taken from the bag. City staff suggested concerns with liability if the bags were not routinely checked for compliance.

The opponents felt that asking STR homeowners to supply multiple GoBags to serve many occupants would be logistically difficult, expensive, and hard to maintain.

Storage of GoBags was also identified as a potential issue. A large home could need 5-7 bags per house. If they are stored in individual closets, renters are unlikely to retrieve them all. Also, it will be hard for STR owners/managers to be assured that the renter is aware of the purpose of the GoBag. Including this requirement is not needed if the items are not likely to be used.

Additionally, there was a brief discussion regarding whether a GoBag was necessary in those STR homes located outside the inundation zone. The concern expressed was whether other methods of caching emergency supplies was more appropriate for those home where immediate evacuation is not warranted nor would like to occur.

***Proponents of GoBags in Homes:***

When people are displaced, they need immediate personal supplies to maintain wellbeing. They may or may not know there is a central location with some supplies for them. Or – they may be unable to reach that location. Not everyone will grab a bag, but education and a posted sign can help increase the likelihood.

A central location is not currently available, and the cost factor is something to consider. Unless maintained by private citizens, any City-owned structure would need to supply equipment for all citizens, not just the STR's.

This group suggests zip ties as a deterrent to theft from individual bags. They also note that one

of the hotels that currently uses GoBags reports no thefts since inception.

While most people equate the need for a go-bag with a strong earthquake followed by an immediate tsunami, it is more likely that a local tsunami would be caused by a distant earthquake, allowing people more than an hour to gather the GoBags and head for higher ground. Another scenario might be an earthquake that only damages some homes but causes fires. Again, unless it is your house on fire, there is time to assess the situation and retrieve a GoBag before departing to a place of refuge.

The City has passed a resolution declaring that it promotes a culture of preparedness. While the City cannot mandate what is in every citizen's home, it can ensure that our rental community is prepared to supply its occupants with some essential emergency needs.

Below is an excerpt of a letter from EVC Go-Bag Training Team members Paul Knight and Karen Sarnaker. They have each spent year's analyzing the purpose and best use of emergency supplies in GoBags.

*"While EVCNB teaches citizens and visitors how to prepare for emergencies, there still exists an expectation and implied responsibility of our Nehalem Bay cities to promote the safety and well-being of both citizens and visitors.*

*In the major disaster we all fear the most, an earthquake and possible tsunami, a GoBag provides survival for the first three days. A modified GoBag supplied for vacationers will save lives if we have these on hand. When something bad happens, time is of the essence and mere seconds can mean the difference between life and death.*

*Having a GoBag, already pre-packed with the essentials a person needs to escape means they can spend those crucial moments getting to safety. Instead of scrambling in panic for the essential supplies in the midst of all the chaos, they can remain calm and head for higher ground.*

*A very basic GoBag is economical and low maintenance. The food bars and water pouches would only need to be replaced every 5 years. GoBag security could easily be covered by a deposit or covered in the rental agreement as a charge to the renter if the GoBag was found to be missing or opened. Even if only 50% of the people who are renting STRs in Manzanita grab the GoBags as they run to safety, it could be hundreds of people that the city and our community would not have to immediately support with food and water. In such a disaster, it is a very small cost to provide vulnerable visitors with the supplies to survive until other aid becomes available.*

*We encourage you to pass the mandate for GoBags in Sort Term Rentals."*

#### **IMPACT:**

There will be a cost to homeowners and agencies if GoBags are put into homes. The estimated cost through the EVC for one GoBag with these essentials is about \$140 but could be less depending on the type of knapsack used. The EVC bag is equipped with wheels for easier transportation.

The positive impact of providing bags to homes is that every bag used means less of a drain on City or other neighbors. It also means that a renter will be a little more comfortable for a few days or even hours as they transition to a safer environment.

## Recommendation: 2.8 Occupancy Capacity of STR Homes

Strategy 2.8 is intended to define the occupancy limit and require posting of said limits within the short-term rental occupancy itself. It also defines that exceeding the posted occupancy limit at any time for sleeping purposes is prohibited and subject to a Class C Civil infraction as defined by City Ordinance 15-01.

### ***Modify Section 4. Standards (h) Occupancy Capacity by the following:***

**H. Occupancy Capacity.** The maximum allowable overnight occupancy for each short-term rental dwelling unit shall be calculated on the basis of two (2) ~~persons~~ people per sleeping room plus an additional four (4) ~~persons~~ people.

The maximum allowable overnight occupancy of a short-term rental shall be determined at the time a short-term rental license is issued or renewed and shall be posted in a conspicuous location within the short-term rental. That capacity shall not be increased by construction of any addition to the structure covered by the license or by construction of any other structure located on the property. Exceeding the posted overnight occupancy at any time for sleeping purposes is prohibited.

Every Sleeping Room in a Short-Term Rental that does not comply as defined in this Ordinance, shall not be used as a sleeping area and shall be equipped with a door that remains locked at all times when the Dwelling Unit is being used as a Short-Term Rental. Such a non-compliant sleeping area shall not be included in the maximum occupancy calculation for the Short-Term Rental. The Owner or the Owner's agent shall notify every Renter, in writing or electronically, that the non-compliant sleeping area may not be used for sleeping.

It is a Class C Civil Infraction as provided in Ordinance No. 15-01 to violate any of the standards outlined in this section.

**REASONING:** Large group gatherings in quiet residential neighborhoods are potential sources of noise, disturbances, and parking violations. Most of the complaints received by the City are related to these issues. The gathering of large numbers of people also represents potential safety hazards to first responders, particularly when confronted with a rescue scenario with limited resources.

At one point, the committee considered decreasing the maximum number of occupants in the house from 2 per bedroom plus 4; to 2 per bedroom plus 2. After discussion, the committee agreed to leave the extra cap at 4 to accommodate homes that may have two bunkrooms. However, the committee did add stronger language adding a requirement that the sleeping rooms must meet the minimum standards of the current Oregon Residential Specialty Code and that the maximum number of occupants would be determined at the time of initial or re-inspection and subsequently posted in the house. The intent is to prevent homeowners from adding beds to non-compliant areas of the house or turning any given area into a sea of sleeping bags or mattresses.



**IMPACT:** This ordinance change keeps the number of occupants the same but requires posting of limits for overall enforcement. It will also provide additional oversight to ensure that companies are not listing higher occupancy thresholds greater than the allowed number. There is no known financial impact to the industry as it maintains current standards, but it would require additional time by the City to ensure appropriate oversight. Controlling occupancy will also influence the number of vehicles, another main source of complaints.

## Recommendation: 2.9 Lighting

Strategy 2.9 is intended to provide outdoor lighting requirements to ordinance 10-3, Short-Term Rental requirements. Unnecessary or annoying lighting was one of the most often cited complaints by the community for short-term rental properties.

***Modify Section 4. Standards (i) Outdoor Lighting by adding the following:***

- I. **OUTDOOR LIGHTING (add new section):** As feasible and appropriate to minimize light pollution, glare, light trespass and to protect the dark skies:
  1. Outdoor light fixtures shall be fully shielded by opaque side and top covers or frosted glass and the bulb pointed in a downward direction so that light does not radiate from the sides or top of the fixture.
  2. Bulbs should be “warm” rather than daylight, and either amber or lower emission LED (less than 3000k).
  3. Lights are turned off when not in use and shall not be left on for more than 12 hours. As an alternative, porch lights may be fitted with motion detectors.
  4. Security (flood) lights shall be on motion detectors and must not shine on adjacent houses.

**IMPLEMENTATION:** All new rentals must meet requirements to receive a license. Existing rentals will have until their next scheduled inspection or two years, whichever is shorter, to meet requirements.

**REASONING:** Many of the comments in the STR survey dealt with excessive outdoor lighting. Over 100 respondents in the short-term rental survey listed lighting as one of the top three problems related to livability. There is nothing in Ordinance 10-3 that addresses this issue.

Complaints range from floodlights shining into neighboring homes, porch lights left on for days at a time, or “jelly-jar” porch lights that spill light into the street, other homes, and sky. We live in an area that is great for star gazing, unless the viewing is diminished by glare from a near-by bright light. Many studies point to adverse health effects for both people and animals. Below are excerpts from two of them:

Current AMA Policy supports efforts to reduce light pollution. **The Council on Public Health** reviewed the adverse health effects of nighttime lighting and concluded that pervasive use of nighttime lighting disrupts various biological processes, creating potentially harmful health effects related to disability glare and sleep disturbance. The detrimental effects of inefficient lighting are not limited to humans; 60% of animals are nocturnal and are potentially adversely affected by exposure to nighttime electrical lighting.

**The National Park Service** recommends a six-step process for evaluating outdoor lighting in parks, and protected areas.

Light only WHEN you need it: Use motion sensors to turn lights on and off as needed. This cost

less money, improves security, and reduces light pollution. Use timers for lights that are needed only in the evening or early morning.

**SHIELD** lights and direct them downward: Several types of full cut-off light fixtures are now available for home, business, and municipal use. Existing lights can also be adjusted to point downward or retrofitted with simple metal shrouds. Shielded fixtures allow no light to shine above the horizon.

Select lamps with **WARMER COLORS**: Amber-colored lights emit longer wavelengths, which gives more protection to the eyes and minimizes sky brightness; blue light bulbs are more susceptible to insects.

Use **LESS** light: An efficient, shielded light fixture can use a smaller wattage bulb and still be effective. Even a 25- or 40-watt incandescent bulb, or a 9-watt compact fluorescent, is enough to light a porch or driveway.

Select the most **ENERGY EFFICIENT** lamp and fixture: Replacing poor quality outdoor lights with modern, efficient fixtures is not only good for the environment but also saves energy and money while improving safety and security.

**IMPACT:** Shielded or downward-directed lighting still provides illumination needed for walkways and entrances while protecting our views of the night sky. Spotlights may be used if desired but must be on motion detectors and not shine into adjacent houses. Applicants for short-term rental homes not currently compliant will be required to make changes to the existing outdoor lighting of their property prior to receive a license, and owners of existing rentals shall comply prior to their next scheduled safety inspection or two-years, whichever is shorter.

The main discussion during workgroup deliberations was that this proposal will require many short-term rental owners to purchase new outdoor lighting and motion detectors for their homes. The decision (which included concurrence from some of the rental owners on the call) was that the value of less-intrusive lighting outweighs the cost of new fixtures.

This ordinance may also lead to requests for the city to extend the requirement to all new builds, and/or to all homes within the city.

## Recommendation 2.10 Noise

Recommendation 2.10 is designed to create measurable restriction on the amount of noise created by occupants of short-term rentals during evening hours. It also provides measurable criteria for enforcement purposes.

***Modify Section 4. Standards (k) Noise by adding the following:***

**K. Noise (new section)** No person shall create, permit, or continue unreasonable noise. The hours of 10:00 pm until 7:00 am the next day is a required quiet time and there shall be no noise exceeding 50 dBA.

**REASONING:** Excessive or unreasonable noise is a livability issue throughout the community and the most mentioned troubling aspect of STR's in our recent survey. No noise limitations or restrictions are noted in the short-term rental ordinance. Many short-term renters gather in groups, contributing to increased and unwanted noise. Many public comments mentioned hot tub use late into the night as a noise contributor.

There is no local noise ordinance that includes specific times of day or night for reduced noise except for noise resulting from construction. Likewise, there are no sound limits included in current ordinances related to noise (City of Manzanita Ord. #'s 79-6 Section 31 and 94-6 Section 4). Current noise language in Manzanita City ordinances use vague terms with no specific measurable criteria. Creating quiet-time hours is consistent with much of the region and state for controlling unwelcome noise.

Most all cities and counties in Oregon have noise ordinances restricting noise levels at certain nighttime hours, typically between 10 pm and 7 am. Many Oregon communities currently require levels of 50 dBA or less between 10 pm and 7 am including nearby Cannon Beach and Gearhart.

Including similar language of quiet times and maximum dBA levels in Manzanita Ord.# 94-6 Section 4 allows for equal requirements throughout the community. Having specific sound limits provides measurable criteria for compliance.

The committee considers noise issues to include the entire community and would ask that the proposed new language in 10-3 can also be incorporated into both nuisance ordinances 79-6 and 94-6.

**IMPACT:** Controlling noise will require additional City staff to ensure compliance. Adding this new language to 79-6 and 94-6 will also be essential.

## 2A ADMINISTRATIVE CHANGES

**NOTE:** *Administrative changes were those changes considered by the Workgroup to not represent areas dealing with livability, but rather proposed changes more aligned with efforts by the City improve language and various aspects of Ordinance 10-3 for purposes of clarity. Questions regarding the changes noted in Section 2A should be addressed to the City of Manzanita, Short-Term Rental Coordinator.*

Those areas highlighted in grey are intended to reflect language already adopted by Tillamook County and the recommended changes are provided to remain consistent with short-term rental properties located nearby outside the city limits but in Tillamook County.

Yellow highlighted text reflects administrative changes intended to improve language specific to Manzanita.

### Section 1. Definitions.

Serious Fire or Life Safety Risk. A building code or Ordinance violation involving those construction, protection and occupancy features necessary to minimize danger to life from fire, including smoke, fumes, or panic, as well as other considerations that are essential to life safety.

**REASONING:**

*This recommendation provides the County's definition related to Section 6 Violations and Penalties, Revocation of License 2: "In the sole discretion of the City Building Official, where a Building Code or Ordinance violation exists at a Short-Term Rental that presents an immediate Serious Fire or Life Safety Risk, the City Building Official may immediately revoke the Short-Term Rental License as an emergency revocation. The City Building Official shall provide written documentation (in layman's terms) of the violation and reason for revocation prior to leaving the inspection site."*

Sleeping Room. A fully enclosed habitable space with a heat source and an emergency egress or rescue opening meeting the minimum standards of the current Oregon Residential Specialty Code.

**REASONING:**

*This recommendation moves the definition of Sleeping Room from Section 4(h) to Section 1 Definitions.*

### Section 2. License required.

A property Owner shall obtain and maintain a license as provided in this Ordinance for any qualified Dwelling Unit that is to be used as a Short-Term Rental. A license shall be obtained prior to using a Dwelling Unit as a Short-Term Rental or advertising in any manner the availability of the Dwelling Unit for Short-Term Rental. A Short-Term Rental License shall be surrendered immediately to the City upon sale of the property or cessation of use as a Short-Term Rental at the address named on the license.

It is a Class C Civil Infraction as provided in Ordinance No. 15-01 to not immediately surrender a Short-Term Rental License to the City upon sale of the property or cessation of use as a Short-Term Rental address named on the license.

**REASONING:**

*This recommendation is to provide a penalty for not surrendering a Short-Term Rental License certificate once a property is no longer licensed. Currently, there is no incentive to return the license and there is concern that the license will remain in the home and the new owners may think they can continue to use it.*

### Section 3. Short-Term Rental License Requirements

Eligibility to apply for license. A property Owner who holds title or a recorded land sale contract to a property with a Dwelling Unit which has passed a final building inspection may apply for a Short-Term Rental License. Applications will be processed in the order received by the City. A license shall not be issued until fines related to any violation of any City Ordinance related to the subject property are paid in full.

**REASONING:**

*This recommendation from the County will provide an incentive for STR owners who owe fines to the City to pay them promptly rather than the City waiting for payment via a collection agency or by sale of the property to satisfy a lien.*

Application. An application packet for a Short-Term Rental License shall be completed and submitted to the City by the Owner of the Dwelling Unit on forms provided by the City.

**REASONING:**

*Adding the work “packet” better describes the application.*

The application shall identify and be signed by all Persons shown as Owners or having any beneficial ownership in any form of ownership of the Dwelling Unit on the most recent Tillamook County Assessor’s tax records or recorded title. If the Dwelling Unit is owned by a corporation and/or other form of joint ownership, legal documentation, acceptable to the City, detailing the names of all Persons with any beneficial ownership shall be submitted with the application. Any additional cost incurred by the City in obtaining verification of such information shall be added to the cost of the license.

**REASONING:**

*When the County Assessor’s Office shows a trust or corporation as the owner of a property, it can be difficult and time-consuming to acquire the list of beneficial owners. Ordinance 10-03 requires that “a person holding a short-term rental license or an interest in a property for which a short-term rental license has been issued shall not be eligible to apply for or hold, as a member of a group or any other form of beneficial ownership, a short-term rental license covering any other property within Manzanita.” It would be much more efficient to receive the legal documentation of owners at the time of application.*

At the time of application, an application fee as determined by resolution of the City Council shall be paid to the City. The fee shall include the cost of staff time to process the application and the initial ~~health and safety-Short-Term Rental~~ inspection ~~and one follow-up inspection~~.

**REASONING:**

*The term Short-Term Rental inspection better reflects that these inspections not only cover health and safety, but also parking, maximum occupancy and verification that the property is compliance with all required City regulations. This also recommends eliminating the automatic inclusion of one follow-up inspection in the application fee.*

Incomplete application packets shall not be accepted nor processed. After one resubmittal, all additional resubmittals for the same property shall require payment of additional application fees. Additional inspections, including pre-purchase inspections, are available for an additional a separate fee.

**REASONING:**

*Too many STR application packets are incomplete when received by the City. Staff has reviewed as many as five application submittals for the same property before getting all the required information.*

A Short-Term Rental applicant must have the initial inspection completed and all deficiencies corrected within six-three months of the application submittal date. Failure to complete the inspection process within six-three months of the application submittal date shall result in the expiration of the application.

**REASONING:**

*This recommendation would require applicants to be ready for their inspections when they are scheduled and to correct the deficiencies promptly, thus reducing staff time required to monitor incomplete applications and inspections.*

Initial inspection.

In any case where an initial inspection is not approved by the City, the City shall allow thirty (30) days for minor repairs or sixty (60) days for major repairs, at the completion of which the Owner or agent must contact the City of Manzanita for a re-inspection. An additional inspection fee may apply. All re-inspections due to failed items on the City-published inspection list will be subject to additional inspection fees. If the repairs identified in the original inspection are not rectified at the time of re-inspection, the license application shall be invalidated, and the applicant must re-apply and pay the associated application fee. The City reserves the right to modify inspection requirements to ensure compliance with any standards required by the City.

**REASONING:**

*This recommendation is from Tillamook County and would limit staff time in monitoring outstanding short-term rental inspections.*

Waiting list in certain areas. If the Dwelling Unit is located within the area subject to the cap placed on the number of Short-Term Rentals by Section 6.030(3)(a) of Ordinance 95-4 and no licenses are available, the Owner who is otherwise eligible to receive a license will be placed on a waiting list. The City shall notify the applicant, in writing via regular or electronic mail, of the status of the pending license. If at any time

the applicant chooses to withdraw their application from consideration, the applicant must do so in writing. As a license within the capped area becomes available, it will be offered to the Owner whose approved application has been on the list for the longest time. Within one week of notification, the license fee and all forms and documentation required must be submitted to the City. Failure to submit the license fee and required **forms and** documentation to the City will result in the license being offered to the next applicant on the waiting list.

**REASONING:**

*This recommendation is for clarification of types of mail and to note that forms may also be required.*

## Section 4. Standards.

~~A Short-Term Rental shall be operated to meet the following standards.~~ All Short-Term Rentals shall comply with the following standards. Any Owner, ~~contact Person~~, Local Agent or Renter who violates any standards, or allows any standards to be violated, is subject to citation and fines in addition to and not in lieu of any other enforcement and penalties contained in this Ordinance or other City Ordinance or State law:

**REASONING:**

*This recommendation contains modified language from Tillamook County related to violations and enforcement.*

j. Proof of Liability Insurance. Before the original license issuance and the annual license renewal, the Owner shall provide the City with proof of liability insurance coverage on the Short-Term Rental property naming the City of Manzanita as additionally insured. This liability insurance coverage shall remain active and in effect during the entire time that the property is licensed as a Short-Term Rental.

**REASONING:**

*This recommendation contains modified language related to Tillamook County's requirement that short-term rentals carry liability insurance.*

## Section 5. License Renewals and Re-inspections

Renewal Fee. All Short-Term Rental Licenses shall be renewed annually for the period of August 1 of the current year to July 31 of the following year provided all requirements in this Ordinance and Transient Lodging Tax Ordinance No.16-03 continue to be met. If the Owner is out of compliance with the provisions of this Ordinance or any other City Ordinance, **regulation or requirement**, the City will not renew the license, and the property shall no longer be used as a Short-Term Rental. A license shall not be renewed if fines related to a violation of any City Ordinance or Transient Lodging Taxes related to the subject property are outstanding.

**REASONING:**

*1. This recommendation adds the words "regulation or requirement" to assist with enforcement of City resolutions and other regulations. (For example, the resolutions related to Covid-19.)*



2. As stated in Section 3, this recommendation from the County would provide an incentive for STR owners who owe fines to the City to pay them promptly rather than the City waiting for payment via a collection agency or by sale of the property to satisfy a lien.

Failure to pay the required license renewal fee, determined by resolution of the City Council, or to submit any form or document required for renewal by the annual August 1 due date shall result in the assessment of a \$25 late fee as determined by resolution of the City Council. Failure to pay the required license renewal fee or to submit any form or document required for renewal within thirty (30) days of following the annual August 1 due date shall be considered abandonment of the Short-Term Rental License and the license shall be subject to revocation by the City Council expire.

#### **REASONING:**

1. This recommendation would provide for lessened staff time in securing the required forms and documents for renewal of STR licenses by tying them to the late fee for the license renewal fee deadlines.
2. This recommendation would remove the stated \$25 late fee and include it in the Council Resolution setting STR related fees. This would allow the late fee to be adjusted as needed to reflect the associated cost of staff time.
3. The last change is from Tillamook County and refers to language in Section 6 Violations and Penalties. "Licenses that are terminated for non-renewal, non-payment, expiration or abandonment shall not be considered a revocation of a license."

Periodic Re-inspection. Every Short-Term Rental License shall be subject to re-inspection of the Dwelling Unit by the City Building Official or designee at the City's discretion, but no less than every five (5)-three (3) years. The purpose of this inspection will be to determine the conformance of the Dwelling Unit with the State of Oregon Residential Specialty Code regulations which may be directly related to potential safety issues, and with all other standards required by the City. The City reserves the right to modify inspection requirements to ensure compliance with any standards required by the City. The City shall notify the Owner of required re-inspections at least six (6) months prior to the renewal date of the Short-Term Rental License. The Owner shall pay a fee as determined by resolution of the City Council and arrange for a re- inspection by the City Building Official or designee and must correct any identified deficiencies. In any case where an inspection is not approved by the City, the City shall allow thirty (30) days for minor repairs or sixty (60) days for major repairs, at the completion of which the Owner or agent must call the City of Manzanita for a follow-up inspection. An additional inspection fee may apply. All follow-up inspections due to failed items on the City-published inspection list will be subject to additional inspection fees. Failure to arrange for the re-inspection and complete correction of all identified deficiencies by the annual August 1 renewal due date for the Short-Term Rental License shall be considered abandonment of the Short-Term Rental License and the license shall be subject to revocation by the City Council expire.

#### **REASONING:**

1. This recommendation from Tillamook County would allow for more frequent periodic re-inspections.
2. This recommendation is similar to Tillamook County and states that the City can modify inspections requirements if needed. This is stated in the following paragraph in the existing ordinance.
3. As stated in Section 3 under initial inspection, this recommendation is from Tillamook County and would limit staff time in monitoring outstanding short-term rental inspections.

4. As stated in Section 5 under Renewal Fee, this change is from Tillamook County and refers to language in Section 6 Violations and Penalties. "Licenses that are terminated for non-renewal, non-payment, expiration or abandonment shall not be considered a revocation of a license."

~~Alternatively, an Owner may comply with this requirement of periodic re-inspection by utilizing a building inspector currently certified by the State of Oregon as an Oregon Residential Specialty Code inspector or other provider approved in advance by the City. The City reserves the right to modify such re-inspection requirements and procedures.~~

**REASONING:**

*Because the City's inspections of prospective and existing STRs are more encompassing than just health, safety, and structural codes, and cover many City-specific requirements, this recommendation removes the option for allowing these inspections by other than City-designated inspectors.*

The Owner of a Short-Term Rental shall be required to schedule and pass a new health and safety Short-Term Rental inspection when there has been a fire, flood or other event that has caused substantial damage to the structure or when there has been an addition or substantial modification to the structure holding the Dwelling Unit.

~~The City may perform random health and safety inspections of a Short-Term Rental Dwelling Unit (1) upon receipt of safety related complaints or (2) to verify that the required emergency information and current Short-Term Rental License listing accurate contact information are posted in Short-Term Rentals as required in this Ordinance~~

Upon notification that a licensed Short-Term Rental is noncompliant with a City Ordinance, law, regulation, or there is a health and safety concern, a re-inspection shall be conducted by the City Building Official or designee.

**REASONING:**

1. *The term Short-Term Rental inspection better reflects that these inspections not only cover health and safety, but also parking, maximum occupancy and verification that the property is compliance with all required City regulations.*
2. *The next recommendation replaces the wording in one paragraph with the wording in the following paragraph to better allow for addressing possible noncompliant or unsafe STR properties.*

## Section 6. Violations and Penalties.

Revocation of license. In addition to the penalties specified in this Ordinance, the City may determine that an appropriate penalty is the revocation of the Short-Term Rental License. The City Council shall hold a hearing on a proposed revocation of a Short-Term Rental License. At the conclusion of the hearing, based on the evidence presented, the Council may: Take no action on the request for the revocation of the license; attach conditions to the existing license; or revoke the license. Should a license be revoked, the Owner may re-apply for a new license one (1) year after the date of revocation. Revocation of a Short-Term Rental License shall not constitute a waiver of Short-Term Rental fees and taxes due at the time of revocation.

1. Violating any provision in this Ordinance, as well as non-compliance with any term or condition of a Short-Term Rental License, violating Manzanita Ordinance 16-03, or violating any City or State law, may result in revocation of a license, denial of an application to renew a license, and enforcement and penalties as outlined in this Ordinance and in Manzanita Ordinance 15-01. Licenses that are terminated for non-renewal, non-payment, expiration or abandonment shall not be considered a revocation of a license.
2. In the sole discretion of the City Building Official, where a Building Code or Ordinance violation exists at a Short-Term Rental that presents an immediate Serious Fire or Life Safety Risk, the City Building Official may immediately revoke the Short-Term Rental License as an emergency revocation. The City Building Official shall provide written documentation (in layman's terms) of the violation and reason for revocation prior to leaving the inspection site.
3. Upon an emergency revocation, the Short-Term Rental shall not be Rented or used as a Short-Term Rental.
4. At any time following the emergency revocation of a Short-Term Rental License pursuant to this subsection, the City Building Official may reinstate the license upon a re-inspection by the City Building Official verifying that the subject Building Code or Ordinance violation has been corrected.

Compliance. Three (3) or more violations of this Ordinance related to the same Short-Term Rental within one (1) year or if there have been three (3) or more violations of other City Ordinances related to the same Short-Term Rental within one (1) year, may result in revocation of the license or the denial of an application to renew a license. Violations include but are not limited to non-compliance of the requirements of this Ordinance. Failure to comply with Transient Lodging Tax Ordinance 16-03 shall result an immediate violation.

**REASONING:**

*These recommendations related to violations and non-compliance are from Tillamook County and have been modified for use by Manzanita. Manzanita has similar office policies to those listed but stating them here would establish the wording by City Ordinance for better awareness and enforcement.*

**ALSO NOTE:** All references to “short term rental” have been changed to “Short-Term Rental”.  
All references to words or phrases defined in Section 1. Definitions have been capitalized throughout the ordinance.

# Section Three

## SHORT-RANGE STRATEGIES

The workgroup defined short-range strategies as those that could be implemented over the course of the next 18 months. Depending on the approval of the City Council, recommendations contained in Section Three were considered achievable within 6 - 18 months. The following recommendations are included:

*3.1 Single Source Phone Number*

*3.2 Code Enforcement Person*

*3.3 Overflow Parking "Pay-to-Park"*

*3.4 Penalty and Fines for Non-Compliance*

*3.5 Extension of Workgroup - Standing Committee*

*3.6 HOA Exclusion Cap*

## Recommendation 3.1 Single source phone number

It became apparent during the workgroup effort that a primary concern of many in the community is the need not only to contact a responsible party, but what number should be called. Often, citizens are referred to the non-emergency police number, which is not constantly monitored. Also, the Police Department is not always available to respond to STR issues in a timely manner. Since round-the-clock monitoring of phone calls is beyond the resources of the City, one idea that surfaced was the use of a commercial phone answering service to respond to citizen inquiries or complaints.

Since the Manzanita STR program maintains a detailed and reliably accurate contact list, it would be relatively easy to engage a commercial firm that would take the phone call and then transmit the complaint to the primary contact person for that particular property. The signage recommended in Section 2.3 would further provide not only the contact number but also provide the Manzanita rental identification for the caller and the operator.

The workgroup researched several phone answering firms to determine whether service like those described above would be both affordable and available. It was determined that services are available that would serve to provide 24-hour contact point. One such example, is AnswerForce. The city would need only to secure the service by contract and routinely update contact details. Below, you will see details regarding the AnswerForce program. This is provided for example purposes only as other firms, some potentially local, not only provide similar services but should be contacted to determine the best opportunity both in price and service for the City.

### Create engaging customer relationships with a human voice.

Let AnswerForce be your phone answering solution, providing a unique customer experience for your small business, including after hours and bilingual support.

Choose your technology medium: voice, web chat, web forms, and more. Rely on a live professional voice to answer the phone and contribute to your brand image.

[Explore plans](#)

**RECOMMENDATION:** The Workgroup feels a missing component of the city's response to STR issues is the lack of a consistent and identifiable way to notify officials or STR owners of complaints or concerns. It is the recommendation of the Workgroup that the City study and ultimately engage contractual arrangements designed to provide a 24-hour complaint hotline.

## Recommendation 3.2 Code Enforcement

The ability of the City to follow-up on complaints and infractions of short-term rental regulations is often compromised by the lack of city resources. Historically, the City has relied on Police Officers during lull periods of activity or the Building Official or designee as they are available. Neither option has proved to be satisfactory and, as a result, field complaints are not often followed up or they are delayed, much to the dismay of complainants.

The STR Workgroup feels strongly that a presence in the field, particularly during periods of significant activity, would be instrumental in making STR Oversight more reliable, more consistent, and more effective. Although it would require an addition to the city's workforce, STR activity in our community represents most of the revenue accrued by the City, along with likely the most significant in terms of citizen concerns. The Workgroup feels the program warrants routine and consistent enforcement of the adopted codes and regulations.

A field or code enforcement person would be able to provide initial routine inspections of STR's, respond to questions regarding the placement and applicability of a proposed STR, engage neighbors and affected stakeholders as appropriate, and respond and follow-up to complaints received from the community. It is possible that the position could begin as a seasonal addition to augment existing city resources, but the Workgroup believes the introduction of such a position will be quickly followed by a community recognition of its value.

**RECOMMENDATION:** It is the strong recommendation of the Workgroup that the City develop and add a "code enforcement" employee to City staff whose function would be to ensure compliance with existing city regulations, perform routine and newly licensed inspections, provide field surveys of compliance levels of existing STR's, and respond to all complaints within 24-hours of receipt.

## Recommendation 3.3 Overflow Parking – “Pay to Park”

Parking is one of the most common complaints received by the City regarding STR homes and the most observable as to the effect upon neighborhoods. Immediate workgroup recommendations contained in this report include restricting the number of vehicles at a STR based upon potential occupant numbers and limits on-street parking to preserve neighborhood access. It is inevitable that potential visitors will travel to Manzanita in more cars than are allowed at any individual home. It was noted during the workgroup deliberations that the parking restrictions identified in recommendation 2.4 could lead to vehicles that would be prohibited from parking at the short-term rental being distributed on other streets in the neighborhood as on-street parking. It was felt by the workgroup that research and study of potential areas within the City to create “pay-to-park” lots would not only relieve congested on-street parking throughout the City, but also serve to create a revenue source for City needs. For example, a group of renters traveling to Manzanita with more vehicles than allowed at the rental it would be required to keep the overflow vehicles at the pay to park lot.

The opportunity to develop potential lots, mechanisms to control parking, efforts to collect associated fees, and the enforcement provisions of such a plan require further study. The Workgroup recommends that should the oversight role of the Short-Term Rental Advisory Workgroup be extended into the future; overflow parking be included in future committee review and study.

**RECOMMENDATION:** The Workgroup recommends the City investigate, and ultimately provide a “pay to park” location for those visitors needing to park vehicles in a location other than a neighborhood. It is anticipated that any costs associated with a pay parking area would be 100% supported by parking fees and would be administered and patrolled by a code enforcement official as identified in Section 3.2 of this report.

## Recommendation 3.4 Penalty and fines for non-compliance

The issue of what constitute appropriate fines and penalties for non-compliance was considered during the Workgroup's deliberations. It was felt that the current methodology for issuing fines and adjudicating violations was working well for the City.

Some concern was raised regarding the current language that can result in exorbitant fines and whether that fairly represented the desires of the community about community enforcement efforts. The City suggested that the larger fines have, in their opinion, resulted in wide-spread compliance and have helped identify those properties who in the past skirted regulations for both registering properties and following the city's rules and regulations.

However, the Workgroup felt that additional and continuing review of the issue should go forward, particularly if the Council chooses to endorse the Workgroup recommendation in the following section 3.5 for creation of a standing committee. It was felt that a citizen's advisory group would be a good conduit for the City to identify problem areas with enforcement. In addition, the Workgroup recommendation suggests the acquisition of field enforcement capabilities would enhance the penalty and monetary fine program.

In general, the City reported that the current program, from a regulatory standpoint, is doing well with good compliance with both registration of properties and adherence to the rules. Enhancement of the program and the ability to respond to citizen complaints would be enhanced with field delivered code enforcement efforts.

**RECOMMENDATION:** The Workgroup recommends that the enforcement provisions of the short-term rental oversight program be monitored, and it is further recommended by the Workgroup that a potential standing STR committee should be utilized to recommend fines, forfeitures, or other measures to ensure compliance with regulations.



## Recommendation 3.5 Extension of Workgroup – Standing Committee

Extending the role of a short-term rental workgroup or providing a mechanism for oversight beyond that currently in place by the City was discussed throughout the workgroup deliberations. It was determined early on that having a committee of citizens charged solely with ensuring conformity of the short-term rental community to the standards as adopted by the City is imperative to enforcement of the rules and regulations currently in place or those that may be developed in the future.

The Workgroup felt that a standing committee would provide a suitable mechanism to review complaints, seek resolution to identified problems and make recommendations to Council regarding the administration of short-term rentals in the Manzanita community. It would assist staff with the nuanced questions that surface on a routine basis regarding the use of enforcement provisions and violations of City regulatory provisions.

For example, several issues identified by the Workgroup remain yet unsolved. Density, or issues of disparity in the community where certain neighborhoods are inundated with short-term rentals where others see little or no activity. Concerns raised over the past several years regarding the 17.5% cap have been introduced by some in the community that seemingly wish to stop or at least reduce the growth in the number of rentals in Manzanita. This will require further analysis and study. Short-term rentals represent by far the biggest funding mechanism for Manzanita City government and the introduction of strategies that affect their numbers will have a profound impact on the ability of the City to provide services.

**RECOMMENDATION:** It is the Workgroup's strong recommendation that the short-term rental workgroup or committee advisory oversight role be further developed into a standing City committee, whose role will be to ensure efforts to maintain neighborhood and community livability, assist City efforts to enforce rules and regulations relating to short-term rentals, and to serve as conduit to neighborhood concerns regarding short-term rentals in our community.

## Recommendation 3.6 HOA Exclusion to Cap

As with Recommendation 4.1 of this report, this issue is not under the purview of the STR workgroup but has been a topic of discussion as an issue that affects livability. Ordinance 95-4, Section 6.030, General Provisions, places a cap on short term rentals in the R-2, R-3, and the SR-R zones. This cap is 17.5% of the dwelling units within these zones. This percentage cap is based on the ratio of registered short-term rentals to the total number of dwelling units in the three zones as of January 5, 1994. Using the homes in an HOA that does not allow STR's in the calculation of the 17 ½% has the potential of unfairly increasing the density in other parts of the City.

The workgroup recommends the planning commission and city council consider following or similar language to Section 6.030 of existing Ordinance 95-4:

Exclusion: Dwelling units in a Homeowners Association (HOA) greater than 10 homes, in which the CCR's do not allow daily rentals, shall be excluded from the total number of dwelling units used in the percentage calculation.

Any HOA consisting of greater than 10 homes, with a minimum time-limit rental restriction shall be able to rent homes within their time restrictions, but would be subject to their own 17 ½ % cap.

**REASONING:** If an HOA's CCR's do not allow short-term rentals, but the HOA homes are used in the calculation of available rental homes, STR's potentially become concentrated into other areas of town. For instance, if there was a new HOA development of 12 homes built in the City, and that development did not allow STR's, 2 additional STR's would be added to the rental pool by City policy, but those new rentals would not be in the new development.

While Manzanita defines short-term rentals as those rented for less than 30 days, if an HOA puts a lower limit on days that a home must be rented consecutively, such as no less than seven, this potentially reduces the number of rentals in that HOA, and still should not be included in the 17 ½% calculation.

Note: Making a change in density calculations (Recommendation 4.1) could also solve this problem. Any large new subdivision could become a separate zone and have its own 17 ½% cap. Then, no matter the location, the addition of the new area would not increase density in already established areas.

**Recommendation:** It is the Workgroup's recommendation that STR percentage calculations consider CCR restrictions prior to adding an HOA to the overall calculation.

# Section Four

## **LONG-RANGE STRATEGIES**

The workgroup defined long-range strategies as those that could be implemented over a longer time frame. Depending on the approval of the City Council, recommendations contained in Section Four were considered achievable 18 months or beyond. The following recommendations are included:

### 4.1 Density

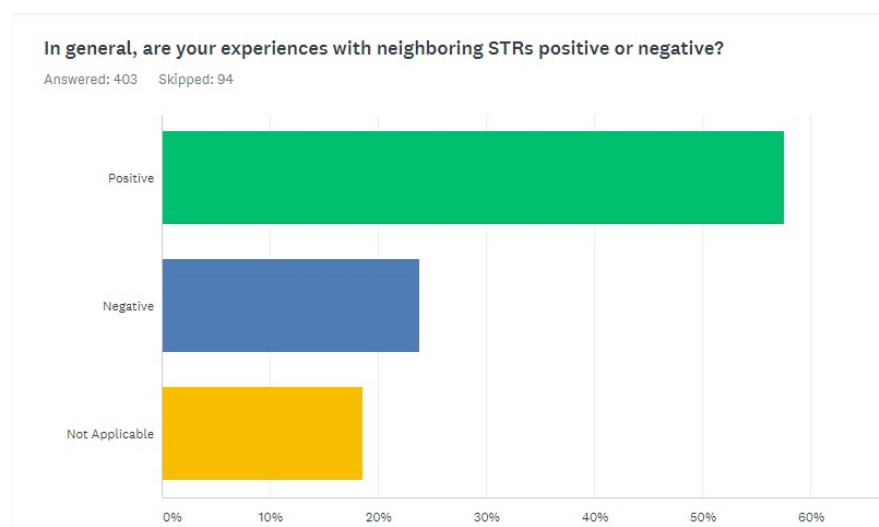
## Recommendation 4.1 - Density

This issue is not under the purview of the STR workgroup. It is not a section of Ordinance 10-3 and would need to be discussed by the planning commission and city council to be added to Manzanita Ordinance 95-4 Section 6.030 (3). However, density is a livability issue and was one of the hot topics of the 2020 election. When the number of STR's near a survey respondent was combined with the question regarding the negative effect of STRs, the more nearby rentals, the higher level of dissatisfaction. However, if the numbers are further analyzed, only about 25% of total respondents said they felt STR's had a negative effect on livability, regardless of the number of rentals in the neighborhood. Additionally, it is the opinion of the Workgroup that if the strategies listed in the previous sections are adopted by the Council, the negative impact of multiple short-term rentals in a single neighborhood may be partially mitigated and become less of an issue in the future. One advantage of making the Workgroup a standing committee is that it could become a vehicle to assess livability metrics going forward.

This issue, and possible solutions, were discussed at length at several of our workshop meetings. The following suggestions are offered as an aid to future discussion.

### Number of Rentals affecting Livability

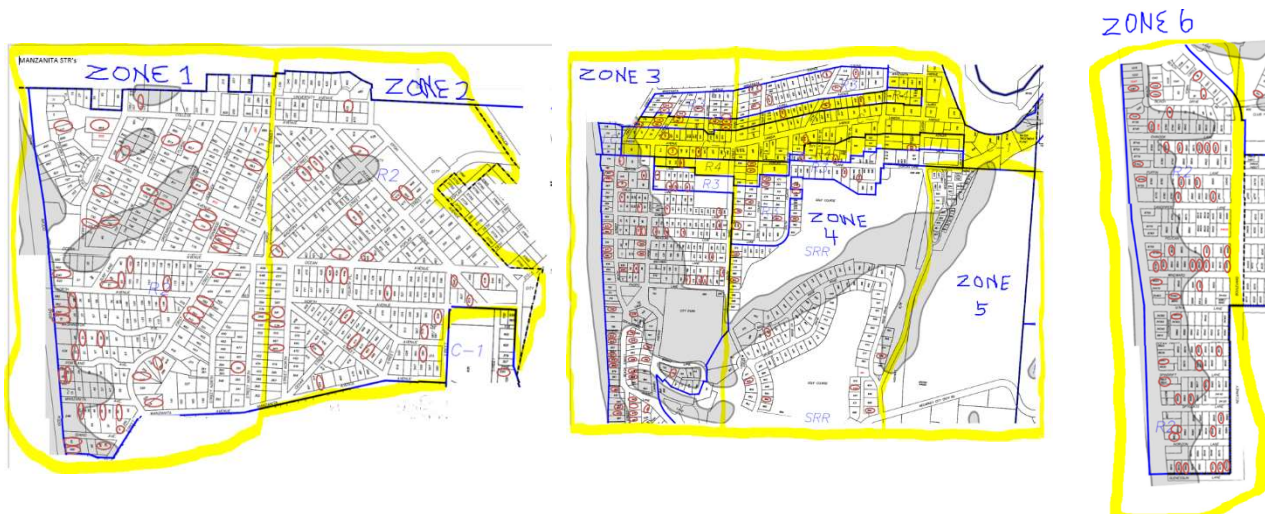
|              | 4 or more | NEGATIVE   | 2 to 3    | NEGATIVE  | 1         | NEGATIVE  | TOTAL     |
|--------------|-----------|------------|-----------|-----------|-----------|-----------|-----------|
| FT           | 32        | 18%        | 23        | 13%       | 3         | 2%        | 58        |
| Less than 75 | 9         | 20%        | 4         | 9%        | 0         | 0%        | 13        |
| Less than 50 | 7         | 9%         | 7         | 9%        | 6         | 7%        | 20        |
| Less than 25 | 1         | 1%         | 1         | 1%        | 1         | 1%        | 3         |
| <b>TOTAL</b> | <b>49</b> | <b>11%</b> | <b>35</b> | <b>8%</b> | <b>10</b> | <b>2%</b> | <b>94</b> |



## Recommended Change to Ordinance 95-4

**Suggestion #1** - Short-term rentals are required to be spaced not less than 90' (ninety feet) from another short-term rental. The ninety-foot separation shall be measured from any front property line corner with a licensed short-term rental to the nearest front property line corner of a lot where another short-term rental is proposed. Existing licensed STR's that do not meet the above criteria are exempt from the provisions unless and until one of the licensed STR's is sold and/or a transfer of ownership occurs per Ordinance 10-3. This limitation does not affect properties across rights of ways from any existing STR. This proposal is not intended to limit licensing for properties sharing a rear property line.

**Suggestion #2:** Short-term rentals are limited to a maximum percentage (currently 17 ½%) of dwelling units in smaller, distinct zones. (Density and a percentage cap are two separate issues. However, for the ease of discussion, we will use 17 ½% as an accepted cap). For instance, within the R-2 designation, north of Manzanita Ave and east of 3<sup>rd</sup> Street might be one zone, and north of Manzanita Ave and west of 3<sup>rd</sup> a separate zone. Each would be limited to the 17 ½ % cap. This would decrease the density in the areas closest to the beach. Another zone might be south of the golf course and west (but including) Nehalem Ave. Attached is a map showing potential zones.



### Reasoning:

Short-Term Rental (STR) density refers to conditions that result in several residences physically near one another and rented to various groups for a period of less than thirty days. A recent citizen survey in Manzanita indicated that several respondents felt a proliferation of STR's in certain specific areas of the city. Current limiting criteria is based solely on allowing a maximum number of 17.5% of dwelling units in the R-2, R-3, and SRR zones be licensed as STR's. The location of those structures granted licenses is not a part of the review process. Rather, some areas of the city do not have any licensed STR's while another location may experience several in a confined area or block.

In some areas, short-term rentals represent the bulk of all homes. A review of city records revealed over thirty instances where STR's exist on properties adjacent to one another. At least five city blocks have more than half of the residences licensed as STR's. One block has nine homes all being used as STR's.

There are many opposing issues. STR owners and managers point to the economic value of trade and taxes offered by the renters. Residents complain of high density of STR's to the City and to fellow neighbors. These issues are not unique to Manzanita having been debated for some time in over three hundred communities across the country.

A list of various STR rules and ordinance sections taken from several communities follows:

- allowing STR's only in commercial zones (quite common)
- caps limiting STR's in a community (17.5% in total) ..... Manzanita, Or.
- proximity distancing (limiting STR's to a maximum number per block) (common)
- proximity distancing (maintaining a minimum distance between STR's) ...common and range from 100' separation to 600' separation.
- caps limiting STR's in a zone (5% in R-zones) Wenatchee, WA.

We are proposing the methodologies shown in the last two bullet points in our recommendation. These seem to be the least restrictive options of those listed above and would be phased in over many years. We have taken into consideration the value of the STR revenue stream both to the local economy and to the City of Manzanita. We also focused on improving livability by reducing the numbers of STR renters in specific neighborhoods.

One positive impact will be, over the long-term, a correction to the over-concentration of STR's on certain streets. This will lead to a reduction in overflow parking and will be viewed as a positive step by full-time and part-time residents on these streets.

It will be more complicated to administer by City staff. The smaller the zones, the better the odds of reducing the STR concentration, but will result in more work to manage. There would also be some push-back from new owners in a now-concentrated area who may have to wait a significant period before being able to clear the waiting list. Owners in now under-populated areas may feel unhappy that STR's would grow in their neighborhoods.

This recommendation to council may not be the do-all/ end-all. The committee hopes this is, at the very least, a beginning of a conversation of moving forward with changes in the current distribution of local

STR's. The committee also feels that it is possible that the other livability changes suggested to Ordinance 10-3, especially those covering parking, noise, and lighting, may minimize the negative effects of short-term rentals enough that density is much less of an issue.

**RECOMMENDATION:** As identified by the survey and individual comments received by the

Workgroup, the issue of STR density is a significant issue in the Community. The disparity of the effect that short-term rentals have on specific neighborhoods leads to frustration and complaint by citizens living in these so called “hot zones”. Many communities across the nation have instituted measures to ensure that rental homes are distributed in a manner to prevent heavy concentrations in a specific area, i.e., the beach in Manzanita’s case. The Workgroup recommends that should a standing committee model be adopted by the Council, that it be charged with further exploring how density might be better managed in the community, particularly considering the long-standing history of not controlling STR’s by location.

# Section Five

## CLOSING

Our experience in serving on the Short-term Rental Oversight Committee was unique. We are a diverse group of individuals committed to making our town, which is uniquely dependent on our short-term rentals, more livable. The COVID-19 pandemic sent us scrambling as we learned to adjust to Zoom meetings and the temporary closure of the short-term rentals. We put our livability efforts aside to write guidelines on the safest and best way to clean and ensure that all safety and health policies were maintained during the pandemic. Keeping the rentals open and safe was critical not only for our community, but for the sake of the many local community members who are employed by the short-term rental industry.

As we literally “zoomed” into creating and writing our recommendations, it became obvious that many citizens and stakeholders were eager to attend our meetings and equally eager to share their points of view. During this time, we produced a survey that rated concerns about the impact of the short-term rentals and provided us significant commentary. The results and the interpretation of that data was openly discussed and shared by all. Many made suggestions that were extremely helpful in our deliberations. Every meeting was enlightening, and, over time, we moved from being “the city”, “the residents”, “the owners/managers”, to a new place called, “We.” Everyone wanted Manzanita to be the best it could be.

It became clear to all of us that people do not just come here for the beach, the ocean, the food, or the shopping. They come to Manzanita to experience living in a small town, experiencing the culture and values of a small town. Our future relies on making good decisions for all of us. This Short-term Rental Ordinance Oversight Workgroup of citizens, owners, managers, and city employees was a good combination, and hopefully will gain consideration for remaining a standing committee of the City.

The Workgroup wishes to thank Mayor Mike Scott, the entire Manzanita City Council, and the dedicated City staff who often toil anonymously, but whose dedication of purpose serves all of us. We would also like to thank Manzanita citizens, industry stakeholders, and owners, many of whom participated in our meetings. Your words of wisdom and collegial guidance were always appreciated.

Respectfully submitted,

Lee Hiltenbrand

Steve Nuttall

Danielle Johnson

Amy VanDyke

Cindy Kenne

Judy Wilson

Jo Newhouse



# Section Six

## ATTACHMENTS

The following attachments are intended to assist the reader with background information and in the case of the summary document, provide a quick and easy reference to the changes recommended by the workgroup. The attachments include:

- 6.1 Summary of workgroup recommendations
- 6.2 Ordinance 10-3 are it now exists – February 15, 2021

## 6.1 SUMMARY OF WORKGROUP RECOMMENDATIONS



The following is a summary of all recommended changes to Ordinance 10-3 and other suggestions submitted by the Short-term Rental Ordinance Oversight Workgroup.

*Note: Some proposed administrative word changes to 10-3 are not included in this summary. The changes may be found in the complete report, which is posted on the city website.*

### Immediate Strategies

#### 2.1 Change of Definitions

**Owner:** Any person, who alone or jointly, has title or ownership interest in a dwelling unit to be used as a Short-Term rental.

**Local Agent:** Any person who has been contacted by an Owner and has full authority to act on the Owner's behalf for purposes outlined in ordinance 10-3, section 4.

#### 2.3 Identification Sign Posting

This action will require a visible sign, meeting city requirements, that clearly identifies a house as a Short-Term rental, and provides the public with a phone number to be used in case of emergency.

#### 2.4 Parking

Short-Term rental vehicles must be parked in designated and approved of parking spaces. On-street parking will be limited to one vehicle. Parking shall never hinder the path of an emergency vehicle.

Parking plan maps will be clearly posted in every short-term rental. Visitors to Short-Term rentals may not park on the street overnight. Parking is one of the biggest challenges in Manzanita during peak season, so the parking proposals are specific. The proposed language is almost a duplicate of that which is used in Tillamook County.

#### 2.5 Owners and Local Agent Definition and Duties

This proposed change in definition brings new responsibility. The owner or the Local Agent must live within a ten-mile area and be able to respond in person within 20 minutes. The person must be able to respond by phone 24 hours a day, and maintain a working telephone number year-round, 24 hours a day, 7 days a week.

#### 2.6 Garbage Storage and Removal

The city requires proof that city walk-up service is available for any time the short-term rental is being used. Animal locks are required.

#### 2.7 Emergency Equipment

The owner shall provide the unit with information and equipment to assist the renters in dealing with natural disasters, power outages, and other emergencies. The proposal goes on to say that there should be one GoBag for every 2 persons and lists the essential items.

**Special note:** While all the group agreed that there is a need for emergency supplies for Short-Term rentals, the group disagreed on the location for these supplies.

## *2.8 Occupancy Capacity of STR Homes*

The maximum overnight occupancy for a Short-Term rental will be two people per sleeping room, plus an additional 4 people. Occupancy will be determined, and stated on the license, and be posted in a conspicuous location in the Short-Term rental. The recommendation goes on to clearly define what is, in fact a sleeping room. It is a Class C infraction of Ordinance 15-01 to violate any of these standards.

## *2.9 Lighting*

Strategy 2.9 intends to add outdoor lighting requirements to 10-3, Short-Term rental requirements.

Lighting is one of the most often-cited livability issues stated by the community for Short-Term rental properties.

The group proposes a feasible and appropriate approach to minimize light pollution, glare, and light trespass. The four adjustments address light fixtures (shielded and downward facing), bulbs, flood lights with motion detectors, and keeping lights off when not in use. Existing units will have until their next license renewal, or two years, whichever comes first, to make the necessary adjustments.

## *2.10 Noise*

Recommendation 2.10 is designed to create measurable restriction on the amount of noise created by occupants of Short-Term rentals during the evening hours. It also provides measurable criteria for enforcement purposes. It states that no person shall create, permit, or continue noise. The hours between 10 pm and 7 am the next day will be required quiet time, and there should be no noise exceeding 50 dBA.

Presently, Manzanita does not have an ordinance restricting excessive noise between 10 pm and 7 am, though most cities in Oregon do. The committee felt noise issues include the entire community and asks that the language in 10-3 be incorporated in the nuisance ordinances in Manzanita.

## **Short Range Strategies**

### *3.1 Single Source Phone Number*

The Workgroup feels a missing component of the city's response to STR issues is the lack of a consistent and identifiable way to notify officials or STR owners of complaints or concerns. It is the recommendation of the Workgroup that the City study and ultimately engage contractual arrangements designed to provide a 24-hour complaint hotline.

Presently, there is frustration in the community since Short-Term owners/managers often cannot be reached in a timely manner to report concerns, or things that need immediate attention. Often the police are called on the non-emergency line to handle an issue that needed to be addressed by the owner/manager. Since the Manzanita STR program maintain detailed and accurate contact protocol, a service could easily engage in taking calls 24 hours a day and transmit the complaint to the primary contact person for that particular property.

### *3.2 Code Enforcement Person*

Currently, the City's ability to follow up on both complaints and infraction of Short-Term rules and regulations is often compromised by the lack of city resources in the field. The Workgroup feels strongly that the presence of an employee in the field would be helpful in easing tensions in the community concerning the impact of Short-Term rentals.

### *3.3 Overflow Parking Pay-to-Park*

The group deliberated quite some time about the parking restrictions in 2.5. The workgroup felt that research and study into finding potential areas to create pay-to-park lots would relieve congested parking throughout the city and create a revenue source.

### *3.4 Penalty and Fines for Non-Compliance*

The Workgroup discussed at length what constitutes an appropriate fine for the violation of any provision of ordinance 10-3 or other rules or regulations adopted by the city. The Workgroup felt that additional and continued review should go forward. It was felt that a citizens advisory group would be a good conduit for the city to identify problems with enforcement. In addition, the Workgroup felt that the acquisition of field enforcement capabilities would enhance the code enforcement efforts.

### *3.5 Extension of Workgroup - Standing Committee*

The Workgroup strongly recommends that the Short-Term rental oversight group be developed into a standing committee. A standing committee would provide a mechanism for reviewing complaints, seek resolutions to identified problems and make recommendations to Council regarding the administration of short-term rentals in Manzanita.

### *3.6 HOA Exclusion Cap*

Although not part of Ordinance 10-3, it is the Workgroup's recommendation that if the 17½% cap on short-term rentals remains in effect, the percentage calculations consider CCR restrictions prior to adding a homeowners' association to the overall City calculation. Using the homes in an HOA that does not allow short-term rentals in the calculation of the 17 ½% has the potential of unfairly increasing the density in other parts of the City.

## **Long Range Strategies**

### *4.1 Density*

The group determined that the current cap of 17.5% may not be the only tool used to help lessen the neighborhood impacts of STR's. Discussions included limiting the numbers of STR's in a highly concentrated area (density) via a distancing-criteria. Another method of reducing density involved a zonal approach of limiting STR's to 17.5% in prescribed neighborhood zones. The value of these considerations will require citizen input with any permanent changes occurring through the Planning Commission.

## 6.2 EXISTING ORDINANCE 10-3

### **ORDINANCE NO. 10-03** (As amended by Ord. No. 16-05 12/7/16)

#### **AN ORDINANCE ESTABLISHING RULES AND REGULATIONS RELATING TO SHORT TERM RENTALS**

**WHEREAS** Ordinance 95-4 defines short term rentals as an outright allowed use in residential zones; and

**WHEREAS** the City of Manzanita wishes to establish rules and regulations relating to short term rentals within the City to ensure the safety and convenience of renters, owners and neighboring property owners; now therefore

#### **THE CITY OF MANZANITA DOES ORDAIN AS FOLLOWS:**

##### **Section 1. Definitions.**

- a) For the purpose of this Ordinance, words used in the present tense include the future, the singular number includes the plural, the word "shall" is mandatory, and the term "this Ordinance" shall be deemed to include all amendments hereafter made to this Ordinance.
- b) The following words and phrases, as used herein, shall have the following meanings:

Dwelling Unit. Means one or more rooms occupied, designed or intended for occupancy as separate living quarters, and containing four (4) or more of the following:

- refrigeration
- cooking facility (including cooking stove, hot plate, range hood, microwave, or similar appliance) or wiring or venting to support same
- dishwashing machine
- sink intended for meal preparation (not including a wet bar)
- garbage disposal
- toilet
- shower or bathtub

Local Contact Person. The owner, a rental agency, security agency or other agent of the owner authorized to act for the owner.

Owner. The person who owns the dwelling unit used as or proposed to be used as a short term rental.

Person. Every natural person, firm, partnership, association, social or fraternal organization, corporation, trust, estate, receiver, syndicate, branch of government, or any group

or combination acting as a unit.

Rent. The full consideration charged, whether or not received by the operator, for the occupancy of the short term rental valued in money or in goods, labor, credits, property, or other consideration valued in money, without any deduction. Except as otherwise provided in this ordinance, Rent includes all fees, charges and assessments (including but not limited to processing fees, cleaning fees or fees for maid service and pet fees) charged, assessed or allocated by the operator for the occupancy of the short-term rental, the payment for which is not optional and not refundable. Rent does not include:

1. Any taxes, fees, or assessments levied by any other governmental entity.
2. The sale of any goods or services which are separate and independent from occupancy.

Short Term Rental. A dwelling unit that is rented to any person on a day to day basis or for a period of less than thirty (30) consecutive nights.

Short Term Rental License. A permit to operate a short term rental in accordance with this and all City Ordinances. The licensing year is August 1<sup>st</sup> to July 31<sup>st</sup> of the following year and the fee of which is not subject to proration.

**Section 2. License required.** A property owner shall obtain and maintain a license as provided in this Ordinance for any qualified dwelling unit that is to be used as a short term rental. A license shall be obtained prior to using a dwelling unit as a short term rental or advertising in any manner the availability of the dwelling unit for short term rental. A Short Term Rental License shall be surrendered immediately to the City upon sale of the property or cessation of use as a short term rental at the address named on the license.

- a. Short Term Rental License. The short term rental license shall state the address of the short term rental, the name and phone number of the local contact person(s), the maximum allowable number of overnight occupants, the license number, the expiration date of the license, and any other information required by the City of Manzanita. The license shall be prominently displayed in the rental so as to be seen and readily noticed by any and all occupants. Such license also will serve as the Manzanita Certificate of Authority required by the Manzanita Transient Lodging Tax Ordinance No. 16-03.

It is a Class A Civil Infraction as provided in Ordinance No. 15-01 to rent or make a dwelling unit available for rent as a short term rental without obtaining the license required by this section or to rent the property on a short term basis without the current license posted conspicuously in the rental property as required above.

- b. Advertising. All advertising soliciting business for a short term rental shall include the license number issued by the City of Manzanita to the rental owner. All advertisement appearing through any medium including any print, electronic, or audio media, including, but not limited to, advertisements appearing in newspapers, magazines, newsletters, flyers, internet sites, bulletin boards, or any other advertising medium, regardless of origin, distribution method, or distribution location of such medium soliciting reservations or rental availability shall include the short term rental license

number. Such identification shall appear as “MCA #” (Manzanita Certificate of Authority) followed by the City-issued license number in a readable size and font, and be placed in such location that it is readily noticed as a part of the advertisement.

It is a Class C Civil Infraction as provided in Ordinance No. 15-01 to place advertising soliciting business by any means for the short term rental property without having the short term rental license number included.

### **Section 3. Short Term Rental License Requirements.**

- a. Eligibility to apply for license. A property owner who holds title or a recorded land sale contract to a property with a dwelling unit which has passed a final building inspection may apply for a short term rental license. Applications will be processed in the order received by the City.
- b. Application. An application for a short term rental license shall be completed and submitted to the City by the owner of the dwelling unit on forms provided by the City. The application shall identify and be signed by all persons shown as owners or having any beneficial ownership in any form of ownership of the dwelling unit on the most recent Tillamook County Assessor’s tax records or recorded title. Any additional cost incurred by the City in obtaining verification of such information shall be added to the cost of the license. At the time of application, an application fee as determined by resolution of the City Council shall be paid to the City. The fee shall include the cost of the initial health and safety inspection and one follow-up inspection. Additional inspections, including pre-purchase inspections, are available for an additional fee. A short term rental applicant must have the initial inspection completed and all deficiencies corrected within six months of the application submittal date. Failure to complete the inspection process within six months of the application submittal date shall result in the expiration of the application.
- c. Limitations on application. Effective June 4, 2010, a person holding a short term rental license or an interest in a property for which a short term rental license has been issued shall not be eligible to apply for or hold, as a member of a group or any other form of beneficial ownership, a short term rental license covering any other property within Manzanita. A short term rental license may be issued only for a single dwelling unit on a single property or for a single dwelling unit within a duplex on a single property.

The short term rental license is issued to the owner and does not transfer with the sale or conveyance of the property. All short term rental license holders must report to the City any change of ownership of their short term rental, in whatever form, before the conveyance deed is recorded. The transfer of the property from (1) a natural person(s) to a Trust serving the same natural person(s) or to a family member pursuant to a Trust or (2) the transfer of ownership pursuant to a will or bequest upon the death of the owner is not deemed not to be a transfer of ownership for purposes of this Ordinance.



d. Initial inspection. At the time of initial application, the dwelling unit shall be inspected by the City Building Official or designee. The purpose of this inspection will be to determine the conformance of the dwelling unit with the State of Oregon Residential Specialty Code regulations related to potential safety issues, and with all other standards required by the City. Applicants must correct any identified deficiencies and a final safety inspection must be passed before a short term rental license is issued.

e. License issuance. Except as provided in Section 3(f) below, the owner shall be issued a license for a short term rental upon completion of all required forms, inspection approval of the dwelling unit by the Building Official or designee, and payment of the annual license fee as determined by resolution of the City Council.

f. Waiting list in certain areas. If the dwelling unit is located within the area subject to the cap placed on the number of short term rentals by Section 6.030(3)(a) of Ordinance 95-4 and no licenses are available, the owner who is otherwise eligible to receive a license will be placed on a waiting list. The City shall notify the applicant, in writing, of the status of the pending license. If at any time the applicant chooses to withdraw their application from consideration, the applicant must do so in writing.

As a license within the capped area becomes available, it will be offered to the owner whose approved application has been on the list for the longest time. Within one week of notification, the license fee and all documentation required must be submitted to the City. Failure to submit the license fee and required documentation to the City will result in the license being offered to the next applicant on the waiting list.

g. Hardship license. The City Council at its discretion may approve a special hardship license where it is determined that a medical condition, death of a spouse or other extraordinary financial burden is likely to jeopardize the owner's ability to maintain ownership of the designated property. The Council may attach a time limit with a hardship license, and this license shall be revoked upon the sale or conveyance of the property.

h. Utilization of License Required. Holders of short term rental licenses issued after June 4, 2010, including those issued to owners on the waiting list described in Section 3(f) above as of June 4, 2010, who report no rental income for a period of nine (9) months from the initial license issuance date shall be considered as having abandoned the license, and the license shall be automatically revoked. This requirement shall apply to subsequent nine (9) month periods.

i. License Limitation on Listed Property. A property owner who holds title or a recorded land sale contract to a property which is a currently licensed short term rental who lists said property for sale, shall limit the extent of future reservations/bookings to no more than forty-five (45) days from the date the reservation was made. Any and all outstanding reservations/bookings, beyond and including the date of the recording of the deed of sale of that property, shall be cancelled.



**Section 4. Standards.** A short term rental shall be operated to meet the following standards:

- a. House Number. A house number visible from the street must be provided and maintained.
- b. Identification Sign. In addition to the signs permitted by Section 4.070 of Ordinance 95-4 the owner or rental agency may provide and maintain a sign attached to the outside of the dwelling unit which identifies the dwelling unit as a short term rental, and lists a telephone number for the applicable rental agency, if any, or other local contact person as required under Section 4(d). Such signage shall be visible from the street and shall be no smaller than 72 square inches nor larger than 90 square inches. Such sign shall include the City short term rental license number for the dwelling unit as described in Section 2(b) of this Ordinance.
- c. Parking. All short term rental properties must provide off street parking spaces for a minimum of 2 vehicles. Such spaces shall not be blocked and shall be available to people using the short term rental. Location and design of parking spaces shall comply with all applicable City ordinances.
- d. Local Contact Person. The owner shall post as required in Section 2(a) and keep on file with the City the name and telephone number of a local contact person(s) who shall be responsible for responding to questions or concerns regarding the operation of the short term rental. This information must be kept current. Any change in local contact person must be reported to the City at least 14 days prior to the date the change takes effect. A new Short Term Rental Local Contact Person Registration form must be completed and submitted to the City, and the re-issued City license must be posted as required in Section 2(a) before the property may be again rented.

The local contact person must be available to accept and immediately respond to telephone calls on a 24 hour basis at all times that the short term rental is rented and occupied. At all other times, the local contact person shall respond within 24 hours. The local contact person must have a key to the rental unit and be able to respond physically within thirty (30) minutes to address issues at the dwelling unit or must have arranged for another person to perform the same duties within the same timeframe. The name and phone number of this alternative contact person must be kept on file with the City and be listed as a secondary local contact person on the Short Term Rental License Certificate. The requirement for identifying a local contact person applies to each person or entity making arrangements for renting a given short term rental.

- e. Garbage Removal. During periods of rental, the owner shall provide covered and properly secured garbage containers and provide for sideyard garbage removal. An exception to the sideyard garbage removal requirement may be allowed if the garbage container is stored in a closed area and moved to and from the curbside collection point on the same day as garbage is collected. Garbage shall be removed a minimum of one (1) time per week, unless the short

term rental is not being rented. Information providing directions to community recycling facilities shall also be provided in the dwelling unit.

**f. Emergency information.** The owner shall provide in the dwelling unit information and equipment to assist renters in dealing with natural disasters, power outages and other emergencies. The minimum information and equipment to be provided in the short term rental shall be as determined by resolution of the City Council.

**g. Payment of Transient Lodging Tax.** Proper reporting and payment of transient lodging taxes due to the City under Transient Lodging Tax Ordinance 16-03 shall be made by the last day of the month following the preceding calendar quarter (or by the last day of the month following the preceding month if mandated by the Tax Administrator). Late tax reports and/or payments are subject to a minimum fine, plus interest and penalties as set out in Transient Lodging Tax Ordinance 16-03, even if there was zero rent to report. Failure to submit timely reports and make timely payment of short term rental taxes due may result in revocation of the owner's short term rental license. This provision applies to all persons responsible for transient lodging tax reporting and payment for a given short term rental.

**h. Occupancy Capacity.** The maximum allowable overnight occupancy for each short term rental dwelling unit shall be calculated on the basis of two (2) persons per sleeping room plus an additional four (4) persons. For this purpose, a sleeping room is defined as fully-enclosed habitable space with a heat source and an emergency egress or rescue opening.

The maximum allowable overnight occupancy of a short term rental shall be determined at the time a short term rental license is issued or renewed. That capacity shall not be increased by construction of any addition to the structure covered by the license or by construction of any other structure located on the property.

It is a Class C Civil Infraction as provided in Ordinance No. 15-01 to violate any of the standards outlined in this section.

## Section 5. License Renewals and Reinspection's

**a. Renewal Fee.** All short term rental licenses shall be renewed annually for the period of August 1 of the current year to July 31 of the following year provided all requirements in this Ordinance and Transient Lodging Tax Ordinance No.16-03 continue to be met. If the owner is out of compliance with the provisions of this Ordinance or any other City Ordinance, the City will not renew the license, and the property shall no longer be used as a short term rental. Failure to pay the required license renewal fee, determined by resolution of the City Council, by the annual August 1 due date shall result in the assessment of a \$25 late fee. Failure to pay the required license renewal fee within thirty (30) days of the annual August 1 due date shall be considered abandonment of the short term rental license and the license shall be subject to revocation by the City Council.

b. Periodic Reinspection. Every short term rental license shall be subject to reinspection of the dwelling unit by the City Building Official or designee at the City's discretion, but no less than every five (5) years. The purpose of this inspection will be to determine the conformance of the dwelling unit with the State of Oregon Residential Specialty Code regulations which may be directly related to potential safety issues, and with all other standards required by the City. The City shall notify the owner of required reinspections at least six (6) months prior to the renewal date of the short term rental license. The owner shall pay a fee as determined by resolution of the City Council and arrange for a reinspection by the City Building Official or designee and must correct any identified deficiencies. Failure to arrange for the reinspection and complete correction of all identified deficiencies by the annual August 1 renewal due date for the short term rental license shall be considered abandonment of the short term rental license and the license shall be subject to revocation by the City Council.

Alternatively, an owner may comply with this requirement of periodic reinspection by utilizing a building inspector currently certified by the State of Oregon as an Oregon Residential Specialty Code inspector or other provider approved in advance by the City. The City reserves the right to modify such reinspection requirements and procedures.

c. The owner of a short term rental shall be required to schedule and pass a new health and safety inspection when there has been a fire, flood or other event that has caused substantial damage to the structure or when there has been an addition or substantial modification to the structure holding the dwelling unit.

d. The City may perform random health and safety inspections of a short term rental dwelling unit (1) upon receipt of safety related complaints or (2) to verify that the required emergency information and current short term rental license listing accurate contact information are posted in short term rentals as required in this Ordinance.

## **Section 6. Violations and Penalties.**

a. Each day in which a property is used in violation of any part of this Ordinance shall be considered a separate violation.

b. Revocation of license. In addition to the penalties specified in this Ordinance, the City may determine that an appropriate penalty is the revocation of the short term rental license. The City Council shall hold a hearing on a proposed revocation of a short term rental license. At the conclusion of the hearing, based on the evidence presented, the Council may: Take no action on the request for the revocation of the license; attach conditions to the existing license; or revoke the license. Should a license be revoked, the owner may reapply for a new license one (1) year after the date of revocation. Revocation of a short term rental license shall not constitute a waiver of short term rental fees and taxes due at the time of revocation.

**Section 7. Severability.** The separate provisions of this Ordinance are hereby declared to be independent from one another; and if any cause, sentence, paragraph, section or part of this Ordinance shall for any reason be adjudged invalid by any court of competent jurisdiction, all remaining parts shall remain in full force and effect.

**ORDINANCE NO. 10-03**

**PASSED FIRST READING** by the Council this 7<sup>th</sup> day of April, 2010.

**PASSED SECOND READING** by the Council this 5<sup>th</sup> day of May, 2010. **APPROVED** by the Mayor this 5<sup>th</sup> day of May, 2010.

**ORDINANCE NO. 16-05**

**PASSED FIRST READING** by the Council this 9<sup>th</sup> day of November, 2016.

**PASSED SECOND READING** by the Council this 7<sup>th</sup> day of December, 2016. **APPROVED** by the Mayor this 7<sup>th</sup> day of December, 2016.