# JEFFERSON COUNTY BOARD OF COUNTY COMMISSIONERS

## AGENDA REQUEST

**TO:** Board of County Commissioners

Mark McCauley, County Administrator

**FROM:** Josh D. Peters, AICP, Community Development Director

Greg Ballard, Development Code Administrator

**DATE:** April 7, 2025

SUBJECT: DELIBERATIONS and POSSIBLE ACTION re: Amendments to Jefferson County

Code for regulating Short-Term Rentals (STRs)

#### STATEMENT OF ISSUE:

The Board of County Commissioners (BoCC) adopted Ordinance <u>03-0610-24</u> on June 10, 2024, establishing a moratorium on acceptance and processing of development permit applications for Short-Term Rentals (STRs, rentals for less than 30 days), as regulated under title <u>18</u> of the Jefferson County Code (JCC). The moratorium, which expires at 11:59 PM on April 7, 2025, was enacted in order to allow for a thoughtful legislative process to develop and adopt updated land use regulations for STRs. After a duly noticed hearing and receipt of written public comments and oral testimony the Planning Commission (PC) recommended that the BoCC adopt its recommended STR ordinance. After a duly noticed hearing and receipt of written public comments and oral testimony, the BoCC began deliberations on the PC's recommended STR ordinance, which will continue on April 7, 2025 at 2:30 PM. The BoCC will consider adoption of a proposed STR ordinance.

#### **BACKGROUND:**

The Planning Commission (PC) met multiple times to develop a recommended STR ordinance. DCD staff prepared a draft STR ordinance for consideration by the PC, based on the result of PC meetings.

As required by the approved work plan for Ordinance No. <u>03-0610-24</u>, the PC held a public hearing on February 5, 2025 and deliberated on the record during the February 19, 2025 regular meeting. The PC submitted its recommended STR ordinance to the BoCC as required by JCC <u>18.05.050(2)</u> and <u>18.45.090(3)</u>. The BoCC held a workshop on March 3, 2025 to review the PC's recommended STR ordinance, determined that a change in the PC's recommended STR ordinance would be considered, and chose to hold its own public hearing pursuant to JCC <u>18.45.090(4)(b)</u>, which enables the BoCC to adopt development code amendments that differ from those recommended by the PC.

The BoCC approved a notice of public hearing for March 17, 2025, 10:30 AM, which was published in the March 5 and the March 12, 2025 editions of *The Port Townsend Leader* newspaper. On March 14, 2025, DCD staff recommended changes to the PC's recommended STR ordinance. DCD's recommended changes to the PC's recommended STR ordinance were posted for public viewing on March 14, 2025.

On March 17, 2025, the BoCC held a duly-noticed public hearing on the Planning Commission's recommended STR ordinance, continuing the written comment period until 4:00 PM on March 21, 2025. During the presentation portion of the hearing, DCD staff described the staff-recommended STR code changes to the BoCC and representatives from the PC described aspects of the PC-recommended STR code changes. Select PC representatives also provided testimony during the public hearing. The BoCC heard public testimony in consideration of the PC's recommended STR ordinance, then closed the hearing to further oral testimony, continuing the written comment period until 4:00 PM on Friday, March 21, 2025.

On March 24, 2025, the BoCC continued its deliberations on a potential STR ordinance. DCD staff contributed to the discussion by presenting a comparison chart that highlighted the distinctions between the existing regulations, the PC recommendations, and the staff recommendations. The BoCC deliberated on March 24, 2025 and directed DCD staff to review the staff-recommended STR ordinance with the PC on April 2, 2025 and schedule further BoCC deliberations for April 7, 2025 (2:30 PM).

During the April 2, 2025 meeting, DCD staff provided the PC with a detailed presentation comparing the staff's recommendations for STRs to the PC's prior proposals. Since the PC already submitted its formal recommendation to the BoCC, staff clarified that the purpose of this discussion was to better understand the intentions behind some of the differing recommendations, so there could be further clarification provided to the BoCC. Staff engaged with the PC by receiving input on the staff's recommended changes, responding to questions, and addressing concerns related to the proposed STR ordinance. Staff also explained the rationale behind specific amendments. Representatives from the PAO attended the April 2, 2024 PC meeting and conducted an executive session pursuant to RCW 42.30.110(1)(i).

The BoCC may wish to invite comment from those PC representatives during the April 7, 2025 deliberations on the proposed STR ordinance. From staff's perspective, the remaining policy questions left for the BoCC to decide are reflected in <u>Attachment A</u> (Policy Questions) attached to this Agenda Request.

The moratorium expires on April 7, 2025 and it cannot be extended, though a new moratorium may be enacted while the BoCC continues to deliberate, and potentially take final action on the proposed amendments to JCC for regulating STRs.

#### **ANALYSIS:**

Consistent with RCW <u>36.70.630</u> and JCC <u>18.45.090(4)</u>, the BoCC may adopt changes to the PC recommendation by conducting its own public hearing. RCW <u>36.70.630</u> requires the BoCC to "adopt its own findings of fact and statement setting forth the factors considered at the hearing and its own analysis of findings considered by it to be controlling." The BoCC may rely upon DCD staff recommendations to assist the BoCC during deliberation.

DCD staff has been collaborating with the PAO to review proposed updates to the STR development regulations for compliance with state and federal laws. The objective of the staff recommendation aims to align with Resolution 17-19 on regulatory reform. All versions of the STR ordinance have been reviewed by the PAO.

The attached proposed STR ordinance includes staff recommendations to the PC original ordinance and incorporates all changes made by staff through April 2, 2025. Based on BoCC's direction, DCD staff is providing <u>one</u> final version of the ordinance for review. This final version of the proposed STR ordinance has been reviewed by the PAO.

### Attachments to the Agenda Request:

- Attachment A Remaining Policy Questions for BoCC
- Attachment B Proposed STR Ordinance Recommended by DCD Staff (redline version)
- Attachment C Proposed STR Ordinance Code Amendments Recommended by DCD Staff (clean version)

### FISCAL IMPACT/COST-BENEFIT ANALYSIS:

The General Fund supports this planning process. No significant fiscal impact from the decision to hold a public hearing, other than the fee charged by the newspaper of record. If enacted, permitting fees required by the STR ordinance are expected to fund the permitting process for STRs.

#### **RECOMMENDATIONS:**

- (1) Continue STR deliberations on April 7, 2025, beginning at 2:30 PM. Take final action on proposed JCC amendments to update regulations for STRs by adopting an STR ordinance. Staff recommends adopting the attached STR ordinance. This is a PAO-approved version of the STR ordinance that incorporates staff-recommended modifications to the PC-recommended ordinance.
- (2) If no final action is taken on April 7, 2025, consider adopting a new moratorium on STR applications, consistent with RCW 36.70A.390 and RCW 36.70.795.

**REVIEWED BY:** 

Mark McCauley, Junty Administrator

Date

## STATE OF WASHINGTON COUNTY OF JEFFERSON

An Ordinance Repealing Ordinance 03-0610-24, a Moratorium on Acceptance and Processing of Application for Hospitality Establishment Permits for Transient Residences or Transient Guest Houses pursuant to Jefferson County Code (JCC) 18.20.210(3); and Adopting Amendments to JCC 17.60, General Provisions of Title 17 Master Planned Resorts; JCC 18.10 Definitions; JCC 18.15 Land Use Districts; JCC 18.20.200 Home Business; JCC 18.20.210 Hospitality **JCC** establishments and 18.40. Permit Application and Review Procedures/ SEPA Implementation

ORDINANCE .	

**WHEREAS,** the Washington Constitution, Article XI, Section <u>11</u>, confers upon county legislative authorities the police power to adopt regulations necessary to protect the health, safety, and well-being of its residents; and

**WHEREAS**, RCW <u>36.32.120(7)</u> provides that the county legislative authorities shall make and enforce, by appropriate resolutions or ordinances, all such police and sanitary regulations as are not in conflict with state law; and

**WHEREAS**, police power is that inherent and plenary power which enables prohibition of all things hurtful to the comfort, safety and welfare of society; and

**WHEREAS**, the scope of police power is broad, encompassing all those measures which bear a reasonable and substantial relation to promotion of the general welfare of the people; and

WHEREAS, homelessness and housing affordability directly and indirectly impact the health, safety, and well-being of county residents and continues to present local, regional, and national challenges arising out of many social and economic factors; and

**WHEREAS,** Jefferson County enacted several measures to address the shortage of affordable, transitional, supportive, and emergency housing; and

**WHEREAS,** in 2017, the Jefferson County Board of County Commissioners adopted Resolution No. 35-17 to declare that an emergency exists with respect to the availability of housing that is affordable for those households earning 80 percent or less of the Jefferson County median family income, which the U.S. Department of Housing and Urban Development identifies as "low income;" and

**WHEREAS,** as identified in the 2019 Jefferson County Community Health Assessment Report: Summary Findings, the lack of affordable housing continues to present local challenges, especially for older adults, young families, and the working class; and

WHEREAS, in Resolution No. 63-19, the Jefferson County Board of Commissioners adopted a Five-Year Homeless Housing Plan, *Making Homelessness a Singular Occurrence – Homelessness Crisis Response and Housing Five-Year Plan for Jefferson County*, "to establish a long-term, systematic effort to address the homelessness and affordable housing crisis through a data focused vision for Jefferson County;" and

WHEREAS, Jefferson County adopted Ordinance No. <u>11-1221-20</u>, imposing a sales and use tax for affordable housing and supportive services, in accordance with House Bill <u>1590</u> (chapter 222, Laws of 2020) and RCW <u>82.14.530</u>, to address the local challenge presented by homelessness and declining affordability; and

**WHEREAS,** Jefferson County adopted Ordinance No. <u>05-0613-22</u> related to the siting, establishment, and operation of temporary housing facilities for unsheltered and unhoused individuals and families in unincorporated Jefferson County to address the local challenge presented by homelessness and declining affordability; and

WHEREAS, Jefferson County adopted Ordinance No. <u>04-1009-23</u> referenced as the Commercial Property Assessed Clean Energy and Resilience (C-PACER) Program to reduce the debt servicing costs associated with commercial property improvements and construction including multifamily structures with five or more dwelling units to incentivize multifamily construction, rehabilitation, and repair to implement sustainable practices; and

**WHEREAS,** Jefferson County in partnership with the City of Port Townsend and the Housing Fund Board identified sites for transitional, supportive, and emergency housing, such as Caswell-Brown Village, to create an emergency shelter to address the foregoing challenges; and

WHEREAS, the Board of County Commissioners amended the Port Townsend Urban Growth Area (PTUGA) boundary via Ordinance No. <u>09-1209-24</u> to provide for transitional, supportive, and emergency housing including, among others, the Caswell-Brown Village site to accommodate continuum-of-care special purpose housing to address the foregoing challenges; and

**WHEREAS,** in partnership with the City of Port Townsend, Jefferson County advanced new affordable housing opportunities in 2024 through pre-approved residential building plans, where sweat equity, energy efficient designs, and expedited permitting may reduce housing costs to partly address the lack of housing; and

**WHEREAS**, the Jefferson County Comprehensive Plan contains a Housing Action Plan as Exhibit 3-7<sup>2</sup> that identifies the need to "evaluate short-term rentals to ensure such uses do not

<sup>&</sup>lt;sup>1</sup> https://www.co.jefferson.wa.us/DocumentCenter/View/19190/20191104\_Jefferson\_CHA-Summary-Report\_2019\_v2, Accessed January 5, 2025.

<sup>&</sup>lt;sup>2</sup> See: <a href="https://www.co.jefferson.wa.us/DocumentCenter/View/18001/Jefferson-CP-2018\_12">https://www.co.jefferson.wa.us/DocumentCenter/View/18001/Jefferson-CP-2018\_12</a>, at 3-19 Accessed January 5, 2025.

further restrict the housing supply for year-round residents" as one of six bulleted tasks to remove potential barriers to housing; and

**WHEREAS**, the county held three public meetings regarding short-term rentals, one each in Cape George and the Tri Area and a third hybrid meeting in Quilcene, during March 2024; and

**WHEREAS,** county staff presented the findings of these meetings to the Jefferson County Planning Commission at its regularly scheduled July 17, 2024 meeting; and

**WHEREAS,** on December 4, 2024, county staff obtained clarification on how to interpret the Planning Commission's July 17, 2024 preliminary proposal regarding limiting short-term rentals for less than 30 days and exemptions; and

**WHEREAS,** on February 5, 2025, the Planning Commission held a duly noticed public hearing to receive testimony on the short-term rentals proposals; and

**WHEREAS,** on February 19, 2025, the Planning Commission deliberated on the testimony and record; and

**WHEREAS,** on March 3, 2025, the BoCC held a workshop on the Planning Commission's recommendation, and the BoCC chose to hold their own public hearing on the proposed amendments to the relevant sections of the Jefferson County Code; and

**WHEREAS,** the BoCC held their own hearing on March 17, 2025; and listened to presentation by the Planning Commission and DCD staff representatives, and hear public testimony; and

**WHEREAS,** the BoCC extended written public comment through Friday, March 21, 2025 at 4:00 PM; and

**WHEREAS,** the BoCC continued deliberations on March 24, 2025, and directed DCD staff to present the suggested modifications and engage with the Planning Commission by receiving input, responding to questions, and addressing concerns during its regular meeting on April 2, 2025; and

WHEREAS, the BoCC continued deliberations on April 7, 2025; and

**WHEREAS,** the Jefferson County Department of Community Development (DCD) assumes responsibility for the environmental review and procedural steps as the "Lead Agency" pursuant to WAC 197-11-926(1); and

**WHEREAS,** DCD analyzed the proposed legislation in accordance with the State Environmental Policy Act (SEPA), as summarized in an associated SEPA checklist, and finds that adoption of this non-project action will not result in a probable significant adverse impact to the environment:

NOW, THERFORE, BE IT ORDAINED BY THE BOARD OF COUNTY COMMISSIONERS OF JEFFERSON COUNTY, STATE OF WASHINGTON as follows:

<u>Section 1. Findings of Fact.</u> The Board of County Commissioners (BoCC) adopts the recitals above (WHEREAS clauses) as their own findings of fact for this ordinance.

Section 2. Purposes. The purpose of this ordinance is to implement the Comprehensive Plan Housing Element which contains an Action Plan as Exhibit 3-7.<sup>3</sup> Under an Action listed as *Remove Potential Barriers to Housing*, the Action Plan states: "Evaluate short-term rentals. To ensure such uses do not further restrict the housing supply for year-round residents, the County could examine the prevalence of short-term rentals and determine if a registration program and limits on numbers, zones or locations are appropriate." Additionally, this exhibit states: "Evaluate short-term rentals using available local and state data sources." It also repeats the above: "Determine if a registration program and limits on numbers, zones, or locations are appropriate to help ensure a sufficient housing supply for year-round residents."

Section 3. Repeal Prior Ordinance. This Ordinance repeals Ordinance No. <u>03-0610-24</u>.

<u>Section 4. Modification of the Jefferson County Code</u>. JCC <u>17.60.070</u> shall be amended and as set forth in Appendix A.

<u>Section 5. Modification of the Jefferson County Code</u>. Chapter <u>18.10</u> JCC shall be amended as set forth in <u>Appendix B</u>.

Section 6. <u>Modification of the Jefferson County Code</u>. JCC <u>18.15.040</u>, Table 3-1 shall be amended as set forth in <u>Appendix C</u>.

Section 7. Modification of the Jefferson County Code. JCC 18.20.200 and 18.20.210 shall be amended as set forth in Appendix D.

<u>Section 8. Modification of the Jefferson County Code</u>. JCC <u>18.40.040</u>, Table 8-1 shall be amended as set forth in <u>Appendix E</u>.

<u>Section 9. Severability</u>. The provisions of this ordinance are declared separate and severable. If any section, clause, sentence, or phrase of this chapter is held to be invalid or unconstitutional by any court of competent jurisdiction, that holding shall in no way affect the validity of remainder of the code or application of its provision to other persons or circumstances.

<u>Section 9. SEPA Compliance</u>. DCD issued a threshold Determination of Non-Significance (DNS) on January 22, 2025.

<u>Section 10. Effective Date</u>. This Ordinance shall take effect immediately upon adoption by the Board of County Commissioners.

### (SIGNATURES FOLLOW ON THE NEXT PAGE)

<sup>&</sup>lt;sup>3</sup> See: <a href="https://www.co.jefferson.wa.us/DocumentCenter/View/18001/Jefferson-CP-2018\_12">https://www.co.jefferson.wa.us/DocumentCenter/View/18001/Jefferson-CP-2018\_12</a>, at 3-19 Accessed January 5, 2025.

APPROVED and ADOPTED this	_ day of, 2025.
	JEFFERSON COUNTY BOARD OF COMMISSIONERS
	Heidi Eisenhour, Chair
	Greg Brotherton, Member
SEAL:	Heather Dudley-Nollette, Member
SEAL.	
ATTEST:	
Carolyn Gallaway, CMC Date Clerk of the Board	
Approved as to form only:	
Philip Hunsucker Date Chief Civil Deputy Prosecuting Attorney	-

# **APPENDICES**

Proposed Amendments to Jefferson County Code (JCC) Title  $\underline{17}$  and Title  $\underline{18}$ , pertaining to Hospitality Establishments.

Strikethrough (e.g., strikethrough) denotes a deletion; underline denotes an addition.

### APPENDIX A

## 17.60.070 Resort cap and residential use restrictions.

Pursuant to Ordinance 01-0128-08, the Pleasant Harbor MPR in total shall have a development cap of up to 890 residential units; provided, however, short-term visitor accommodation units and short-term rental units shall constitute not less than 65 percent of the total units including, but not limited to, hotels, motels, lodges, and any residential uses allowed under each zone. Short-term visitor accommodation units and short-term rental units shall be construed to mean occupancies equal to or less than 30 daysnights. The Pleasant Harbor MPR in total shall have a development cap of 56,608 square feet of resort commercial, retail, restaurant, and conference space. [Ord. 3-18 § 2 (Att. 1)]

#### APPENDIX B

The following changes are made to Chapter 18.10 JCC:

#### **18.10.190** S Definitions.

"Short-term rental" means a lodging use, that is not a hotel, motel, or bed and breakfast, in which a primary or accessory dwelling unit, or portion thereof, is offered or provided to a guest by a short-term rental operator for a fee for fewer than thirty consecutive nights, as set forth in RCW 64.37.010(9)(a).

"Short-term rental advertisement" means any method of soliciting use of a dwelling unit for short-term rental purposes.

"Short-term rental operator" or "operator" means any person who receives payment for owning or operating a dwelling unit, or portion thereof, as a short-term rental unit.

"Short-term rental platform" or "platform" means a person that provides a means through which an operator may offer a dwelling unit, or portion thereof, for short-term rental use, and from which the person or entity financially benefits. Merely publishing a short-term rental advertisement for accommodations does not make the publisher a short-term rental platform.

#### 18.10.2000 T definitions

"Transient accommodations" means a commercial use involving the rental of any structure or portion thereof for the purpose of providing lodging for periods less than 30 days.

"Transient residence" or "transient ADU" means a single-family residential unit or ADU used for short-term transient occupancy (for periods less than 30 days).

The remaining portions of chapter 18.10 JCC are not changed.

# APPENDIX C

Changes to JCC 18.15.040, Table 3-1 are as follows: **Table 3-1. Allowable and Prohibited Uses** 

	Resourc	ce Lands	Rura	l Resid	lential		Rural Commercial				Rural Industrial					UGA
	Agricultu ral – Prime and Local	Forest – Commerci al, Rural and Inholding	1 DU/ 5 Acr es	1 DU/1 0 Acre	1 DU/2 0 Acre	Rural Villa ge Cente r	Convenien ce Crossroad	Neighborhood/Vis itor Crossroad	General Crossro ad	Resourc e-Based Industri al	Light Industrial/Comme rcial (Glen Cove)	Light Industri al (Glen Cove)	Light Industrial/Manufactu ring (Quilcene and Eastview)	Heavy Industri al	Parks, Preserve s and Recreati on	Ironda le and Port Hadloc k Urban Growt h Area
Specific Land Use	AG	CF/RF/IF	RR 1:5	RR 1:10	RR 1:20	RVC	CC	NC	GC	RBI	LI/C	LI	LI/M	ні	PPR	UGA
Residenti al Uses																
Transient rental of residence or accessory dwelling unitShort-Term Rentals with 5 or fewer guest rooms or 10 or fewer occupants	Yes	Yes	Yes	Yes	Yes	Yes	No	No	No	No	No	No	No	No	No	See Chapte r 18.18 JCC
Commerc ial Uses																
Short- Term Rentals with more than 5 guest rooms or more than 10 occupants	<u>C(d)</u>	<u>C(d)</u>	<u>C(d)</u>	<u>C(d)</u>	<u>C(d)</u>	<u>C(d)</u>	<u>No</u>	<u>No</u>	<u>No</u>	<u>No</u>	<u>No</u>	<u>No</u>	<u>No</u>	<u>No</u>	<u>No</u>	

#### APPENDIX D

#### Changes to JCC 18.20.210 are as follows:

## 18.20.210 Hospitality establishments.

- (3) <u>Short-Term Rental.</u> <u>Transient Residence or Transient Guest House (Accessory Dwelling Unit).</u> The following standards apply to all short-term (less than 30 days) transient rentals of single-family residential units and guest houses (ADUs) or portions thereof:
  - (a) The <u>short-term rental</u> <u>transient residence or guest house</u> shall be operated in a way that will prevent unreasonable disturbances to area residents.
  - (b) All parking must be contained onsite, as determined by DCD. All parking spaces shall meet the standards of Chapter 18.30 JCC. At least one additional off-street parking space shall be provided for the transient use in addition to the parking required for the residence or guest house.
  - (c) If any food service is to be provided the requirements for a bed and breakfast residence must be met.
  - (d) No outdoor advertising signs are allowed. <u>One identification (ID) placard identifying the name of the rental is allowed onsite and shall not exceed four square feet in size.</u>
  - (e) In no case shall the short-term rental exceed the design capacity of the permitted on-site sewage system. The owner or lessee may rent the principal residence or the guest house on a short-term basis, but not both.
  - (f) Short-term rentals are not permitted in any temporary, portable, or other structure not permitted by the County for permanent occupancy (e.g., boat, tent, yurt, RV, etc.). Where there are both a principal residence and a guest house (i.e., an accessory dwelling unit), the owner or lessee must reside on the premises.
  - (g) Short-term rentals shall meet all local and state regulations, including those pertaining to business licenses, liability insurances, and taxes, and registering with the Washington Department of Revenue as required by RCW 64.37.040. Transient accommodations must meet all local and state regulations, including those pertaining to business licenses and taxes.
  - (h) A short-term rental permit shall be tied to the property and cannot be transferred to a separate dwelling.
  - (i) The owner or operator may rent the principal residence or the guest house on the same lot or parcel on a short-term basis, but not both.

- (j) A short-term rental operator shall not hold more than one hospitality permit for a short-term rental in unincorporated Jefferson County.
- (k) Short-term rentals with five or fewer guest rooms and 10 or fewer total occupants will require a Type I hospitality permit for a short-term rental.
- (1) Short-term rentals with six or more guest rooms and greater than 10 total occupants shall require a conditional discretionary use permit and additional building requirements.
- (m) Short-term rentals must meet state and local standards for habitable space and life safety conditions.
- (n) For six months after the adoption of this chapter, DCD will accept all short-term rental applications. After this six-month grace period, the following limit will apply to the renting of the entire primary or accessory dwelling (i.e. excluding the renting of STRs occupied by the landowners). Short-term rentals within Master Plan Resorts (MPR) are excepted from the cap on short-term rentals. Short-term rentals shall be limited to four percent of the dwellings in unincorporated Jefferson County housing, as determined by DCD. Based on OFM (Office of Financial Management) data, there are 11,694 dwellings outside of MPR. Four percent of these dwellings would equate to 468 short-term rentals allowed at this time. The short-term rentals will be distributed prepositional based on the housing stock in each zip code (i.e., if Port Townsend zip code has 30 percent of the housing stock, they would be allowed 30% of the short-term rentals based on the U.S. Census). Every year DCD will update the number of dwelling units, the number of short-term rentals allowed and the number of short-term rental permits that have a valid permit from DCD. If the maximum number of short-term rentals is reached, DCD will have a waiting list for new short-term rentals.
- (o) Applications for permits for a short-term rental shall be on a form approved by the director.
- (4) Permitting is required for all short-term rentals in the County.
  - (a) A short-term rental that existed prior to the establishment of the original Unified Development Code with an effective date of January 16, 2001 shall be established as a legal non-conforming use if all of the following requirements are satisfied:
    - (i) The short-term rental operator provides proof to the satisfaction of the director that the lot or parcel was the location of a short-term rental and that applicable sales and lodging taxes pursuant to chapter 64.37 RCW were remitted to the authorized collector prior to January 16, 2001; and
    - (ii) Apply for and obtain a hospitality permit for a short-term rental permit within six months from the date of the adoption of this Ordinance.

- (b) Existing short-term rentals that have been permitted by DCD after January 16, 2001 are allowed to continue, provided that short-term rental operator renews the permit and satisfies all of the requirements of this chapter.
- (c) The number of new short-term rentals limit addressed in section 3(n) shall be reduced by the number of pre-existing short-term rentals addressed in in Section 4(a) and (b) above.
- (d) New short-term rental applications shall be accepted until the limit addressed in Section 3(n) above is met. Once a hospitality permit for a short-term rental is issued, the permit may continue, provided the short-term rental operator renews the permit and satisfies all the requirements of this chapter.

## (e) Short-Term Rental Permit Renewal:

- (i) Application for renewal shall occur annually and at least 30 days prior expiration of the hospitality permit for a short-term rental.
- (ii) Renewal fees for a hospitality permit for a short-term rental shall be per the applicable fee schedule.
- (iii) Renewal of an existing permit for a short-term rental requires an inspection addressing fire, safety, and health requirements.
- (iv) Failure to renew a permit for a short-term rental may result in short-term rental not being allowed if the limit addressed in Section 3(n) is met.
- (f) Permit Number. The short-term rental operator shall include the Jefferson County permit number for the short-term rental in all advertisements and ensure its prominent display on all platforms and other forums for rental of the short-term rental, including but not limited to Airbnb, VRBO, Craigslist, Facebook, flyers or posters and on marketing materials such as brochures and websites. Any failure to provide a valid permit number or posting a false permit number is prohibited and shall be subject to enforcement as a violation of this chapter.
- (5) Enforcement. The provisions of this chapter shall be enforced under Title 19 of the Jefferson County Code. Jefferson County may seek any remedy available under law as is necessary to prevent or correct any violation of this chapter.
- (6) Conflict. If any county regulations herein are found to be in conflict with chapter 64.37 RCW, the provisions of chapter 64.37 RCW shall apply.

# APPENDIX E

Changes to JCC 18.40.040, Table 8-1 are as follows:

**Table 8-1. Permits – Decisions** 

Type I <sup>2</sup>	Type II	Type III	Type IV	Type V
Bed and breakfast inn, bed and breakfast residence and short-term rental Hospitality permits listed in Table 3-1 in JCC 18.15.040 as "Yes".	Discretionary conditional use permits under JCC 18.40.520(2) listed in Table 3-1 in JCC 18.15.040 as "C(d)" unless Type III process required by administrator.			

# ATTACHMENT C TO AGENDA REQUEST

Proposed STR Code Amendments (clean version)

#### APPENDIX A

17.60.070 Resort cap and residential use restrictions.

Pursuant to Ordinance 01-0128-08, the Pleasant Harbor MPR in total shall have a development cap of up to 890 residential units; provided, however, short-term visitor accommodation units and short-term rental units shall constitute not less than 65 percent of the total units including, but not limited to, hotels, motels, lodges, and any residential uses allowed under each zone. Short-term visitor accommodation units and short-term rental units shall be construed to mean occupancies less than 30 nights. The Pleasant Harbor MPR in total shall have a development cap of 56,608 square feet of resort commercial, retail, restaurant, and conference space. [Ord. 3-18 § 2 (Att. 1)]

#### APPENDIX B

The following changes are made to Chapter 18.10 JCC:

#### **18.10.190 S Definitions.**

"Short-term rental" means a lodging use, that is not a hotel, motel, or bed and breakfast, in which a primary or accessory dwelling unit, or portion thereof, is offered or provided to a guest by a short-term rental operator for a fee for fewer than thirty consecutive nights, as set forth in RCW 64.37.010(9)(a).

"Short-term rental advertisement" means any method of soliciting use of a dwelling unit for short-term rental purposes.

"Short-term rental operator" or "operator" means any person who receives payment for owning or operating a dwelling unit, or portion thereof, as a short-term rental unit.

"Short-term rental platform" or "platform" means a person that provides a means through which an operator may offer a dwelling unit, or portion thereof, for short-term rental use, and from which the person or entity financially benefits. Merely publishing a short-term rental advertisement for accommodations does not make the publisher a short-term rental platform.

The remaining portions of chapter 18.10 JCC are not changed.

# APPENDIX C

Changes to JCC 18.15.040, Table 3-1 are as follows: **Table 3-1. Allowable and Prohibited Uses** 

Tubic 5	Resource Lands Rural Residential									Rural Industrial					Public	UGA
	Agricultu ral – Prime and Local	Forest – Commerci al, Rural and Inholding	1	1	1 DU/2 0 Acre	Rural Villa ge Cente r	Convenien ce Crossroad		General Crossro ad	Resourc e-Based Industri al	Light Industrial/Comme rcial (Glen Cove)	Light Industri al (Glen Cove)	Light Industrial/Manufactu ring (Quilcene and Eastview)	Heavy Industri al	Parks, Preserve s and Recreati	Ironda le and Port Hadloc k Urban Growt h Area
Specific Land Use	AG	CF/RF/IF	RR 1:5	RR 1:10	RR 1:20	RVC	CC	NC	GC	RBI	LI/C	LI	LI/M	ні	PPR	UGA
Residenti al Uses																
Short- Term Rentals with 5 or fewer guest rooms or 10 or fewer occupants	Yes	Yes	Yes	Yes	Yes	Yes	No	No	No	No	No	No	No	No	No	See Chapte
Commerc ial Uses																r 18.18 JCC
Short- Term Rentals with more than 5 guest rooms or more than 10 occupants	C(d)	C(d)	C(d)	C(d)	C(d)	C(d)	No	No	No	No	No	No	No	No	No	

#### APPENDIX D

## Changes to JCC 18.20.210 are as follows:

## 18.20.210 Hospitality establishments.

- (3) Short-Term Rental. The following standards apply to all short-term rentals of single-family residential units or portions thereof:
  - (a) The short-term rental shall be operated in a way that will prevent unreasonable disturbances to area residents.
  - (b) All parking must be contained onsite, as determined by DCD. All parking spaces shall meet the standards of Chapter 18.30 JCC.(c) If any food service is to be provided the requirements for a bed and breakfast residence must be met.
  - (d) No outdoor advertising signs are allowed. One identification (ID) placard identifying the name of the rental is allowed onsite and shall not exceed four square feet in size.
  - (e) In no case shall the short-term rental exceed the design capacity of the permitted on-site sewage system.
  - (f) Short-term rentals are not permitted in any temporary, portable, or other structure not permitted by the County for permanent occupancy (e.g., boat, tent, yurt, RV, etc.).
  - (g) Short-term rentals shall meet all local and state regulations, including those pertaining to business licenses, liability insurances, and taxes, and registering with the Washington Department of Revenue as required by RCW 64.37.040.
  - (h) A short-term rental permit shall be tied to the property and cannot be transferred to a separate dwelling.
  - (i) The owner or operator may rent the principal residence or the guest house on the same lot or parcel on a short-term basis, but not both.
  - (j) A short-term rental operator shall not hold more than one hospitality permit for a short-term rental in unincorporated Jefferson County.
  - (k) Short-term rentals with five or fewer guest rooms and 10 or fewer total occupants will require a Type I hospitality permit for a short-term rental.
  - (1) Short-term rentals with six or more guest rooms and greater than 10 total occupants shall require a conditional discretionary use permit and additional building requirements.

- (m) Short-term rentals must meet state and local standards for habitable space and life safety conditions.
- (n) For six months after the adoption of this chapter, DCD will accept all short-term rental applications. After this six-month grace period, the following limit will apply to the renting of the entire primary or accessory dwelling (i.e. excluding the renting of STRs occupied by the landowners). Short-term rentals within Master Plan Resorts (MPR) are excepted from the cap on short-term rentals. Short-term rentals shall be limited to four percent of the dwellings in unincorporated Jefferson County housing, as determined by DCD. Based on OFM (Office of Financial Management) data, there are 11,694 dwellings outside of MPR. Four percent of these dwellings would equate to 468 short-term rentals allowed at this time. The short-term rentals will be distributed prepositional based on the housing stock in each zip code (i.e., if Port Townsend zip code has 30 percent of the housing stock, they would be allowed 30% of the short-term rentals based on the U.S. Census). Every year DCD will update the number of dwelling units, the number of short-term rentals allowed and the number of short-term rental permits that have a valid permit from DCD. If the maximum number of short-term rentals is reached, DCD will have a waiting list for new short-term rentals.
- (o) Applications for permits for a short-term rental shall be on a form approved by the director.
- (4) Permitting is required for all short-term rentals in the County.
  - (a) A short-term rental that existed prior to the establishment of the original Unified Development Code with an effective date of January 16, 2001 shall be established as a legal non-conforming use if all of the following requirements are satisfied:
    - (i) The short-term rental operator provides proof to the satisfaction of the director that the lot or parcel was the location of a short-term rental and that applicable sales and lodging taxes pursuant to chapter 64.37 RCW were remitted to the authorized collector prior to January 16, 2001; and
    - (ii) Apply for and obtain a hospitality permit for a short-term rental permit within six months from the date of the adoption of this Ordinance.
  - (b) Existing short-term rentals that have been permitted by DCD after January 16, 2001 are allowed to continue, provided that short-term rental operator renews the permit and satisfies all of the requirements of this chapter.
  - (c) The number of new short-term rentals limit addressed in section 3(n) shall be reduced by the number of pre-existing short-term rentals addressed in in Section 4(a) and (b) above.
  - (d) New short-term rental applications shall be accepted until the limit addressed in Section 3(n) above is met. Once a hospitality permit for a short-term rental is issued, the permit

may continue, provided the short-term rental operator renews the permit and satisfies all the requirements of this chapter.

## (e) Short-Term Rental Permit Renewal:

- (i) Application for renewal shall occur annually and at least 30 days prior expiration of the hospitality permit for a short-term rental.
- (ii) Renewal fees for a hospitality permit for a short-term rental shall be per the applicable fee schedule.
- (iii) Renewal of an existing permit for a short-term rental requires an inspection addressing fire, safety, and health requirements.
- (iv) Failure to renew a permit for a short-term rental may result in short-term rental not being allowed if the limit addressed in Section 3(n) is met.
- (f) Permit Number. The short-term rental operator shall include the Jefferson County permit number for the short-term rental in all advertisements and ensure its prominent display on all platforms and other forums for rental of the short-term rental, including but not limited to Airbnb, VRBO, Craigslist, Facebook, flyers or posters and on marketing materials such as brochures and websites. Any failure to provide a valid permit number or posting a false permit number is prohibited and shall be subject to enforcement as a violation of this chapter.
- (5) Enforcement. The provisions of this chapter shall be enforced under Title 19 of the Jefferson County Code. Jefferson County may seek any remedy available under law as is necessary to prevent or correct any violation of this chapter.
- (6) Conflict. If any county regulations herein are found to be in conflict with chapter 64.37 RCW, the provisions of chapter 64.37 RCW shall apply.

# APPENDIX E

Changes to JCC 18.40.040, Table 8-1 are as follows:

**Table 8-1. Permits – Decisions** 

Type I <sup>2</sup>	Type II	Type III	Type IV	Type V
Bed and breakfast inn, bed and breakfast residence and short-term rental permits listed in Table 3-1 in JCC 18.15.040 as "Yes".	permits under JCC 18.40.520(2) listed in Table 3-1 in JCC 18.15.040 as "C(d)"			

# ATTACHMENT A TO AGENDA REQUEST

# Remaining Policy Decisions for BoCC on 4/7/2025

Limit by Operator Requirement									
Should STRs be limited to one per	Yes or No?								
operator?									
If STRs should be limited by operator,	One or more?								
how many STRs per operator should be									
the limit?									
Grace Period	Requirement								
Should a grace period be allowed?	Yes or No?								
If a grace period should be allowed,	What should the period be?								
what should the period be?									
Residency F	Requirement								
Should Jefferson County residency be	Yes or No?								
required?									
Ownership Peri	od Requirement								
Should STRs be prohibited for the first	Yes or No?								
two years of property ownership?									
Cap Requirement									
Should there be a cap?	Yes or No?								
If there should be a cap, what should	2%, 3%, 4%, other?								
the cap be?									

# **ATTACHMENT B** TO AGENDA REQUEST

Proposed STR Ordinance – with proposed code amendments in redline format