



Planning Commission Agenda

October 19, 2021

5:30pm

Virtual Meeting

Due to the current COVID-19 public health emergency, this meeting will be conducted virtually. The public may listen to the meeting by calling 206.973.4555 and muting your phone. Public comment opportunities for this meeting are below.

The Planning Commission consists of seven members appointed by the Mayor and confirmed by the City Council. The Commission primarily considers plans and regulations relating to the physical development of the city, plus other matters as assigned. The Commission is an advisory body to the City Council.

Members: Tejvir Basra, Chair; Alyne Hansen, Vice Chair; Tom Dantzler; Andrew Ried-Munro; Jagtar Saroya; Tony Zuniga Sanchez.

Staff Coordinator: Jenn Kester, Planning Manager

A quorum of the Council may be present.

ITEM	TOPIC	PROCESS	WHO	TIME
1	Call to Order / Roll Call		Chair	5:30
2	Approval of the minutes of October 5, 2021 meeting.	Review and Approve	Members	5:30 (2 min)
3	Public Comment on items <u>not</u> on the agenda. <i>Comments on agenda items will be addressed after the staff presentation and Commission discussion on each item below.</i> <i>See Public Comment Process below.</i>		Chair	5:32 (3 min)
4	Short Term Rentals Code Amendments	Public and Recommendation	Members and Staff	5:35 (45 min)
6	CED Staff Report	Briefing	Staff	6:20 (3 min)
7	Planning Commission Comments (including suggestions for next meeting agenda)	Discussion	Members	6:23 (3 min)
8	Adjourn			6:26

Public Comment Process: In an effort to adhere to the social distancing protocols, and in order to keep our residents, Planning Commission, and staff healthy, the Commission will not hear any in-person public comments. The committee is providing remote oral and written public comment opportunities. All comments shall be respectful in tone and content. Signing-up for remote comments or providing written comments must be done by 3:30pm the day of the meeting. Any requests to speak or provide written public

comments which are not submitted following the instructions provided or by the deadline will not be included as part of the record.

- Instructions for providing remote oral public comments are located at the following link: [Council Committee and Citizen Advisory Committee Virtual Meetings](#).
- Submit email/text public comments to PCPublicComment@seatacwa.gov. The comment will be mentioned by name and subject and then placed in the committee handout packet posted to the website.

CITY OF SEATAC
PLANNING COMMISSION MEETING
Minutes of October 5, 2021 Meeting

Members present: Tej Basra, Alyne Hansen, Jagtar Saroya, Tony Sanchez, Andrew Ried-Munro (arrived 5:56pm)

Members absent: Tom Dantzer

Staff & Others

Present: Evan Maxim, *CED Director*; Jenn Kester, *Planning Manager*; Kate Kaehny, *Senior Planner*; Stanley Tombs, *Councilmember*; Pam Fernald, *Councilmember*; Barb Mailo, *Administrative Assistant 3*, SeaTV

1. Call to Order/Roll Call

Chair Basra called the meeting to order at 5:31pm and roll call.

2. Approval of minutes of the September 21, 2021 meeting

Commissioner Hansen motioned to approve minutes as presented. Second by commissioner Sanchez. Unanimous approval of minutes.

3. Public Comments on items not on the agenda

None

4. Continued Public Hearing: 2021 Comprehensive Plan Amendments

Planning Manager Jenn Kester noted that there was no additional public comment received or requested.

Senior Planner Kate Kaehny advised that there is no presentation, only a memorandum (included in meeting packet) and staff is requesting a recommendation by the PC in tonight's meeting.

Chair Basra closed the Public Hearing at 5:37pm

Commissioner Hansen inquired about the content of text amendment #2 – the Capital Facilities Plan update.

PC Recommendation – Commissioner Hansen made a motion to adopt all amendment proposals as presented in the Final Docket. Commissioner Sanchez second. The PC unanimously moved to approve the amendment proposals as presented.

5. October 2021 – June 2022 Work Plan

Planning Manager Jenn Kester presented the October 2021 – June 2022 Planning Commission Work Plan.

PC Recommendation – Commissioner Sanchez motioned to forward the work plan to Council. Commissioner Hansen second. Recommendation to move forward to Council.

6. CED Staff Report

Jenn reported that Council has approved the Housing Action Plan.

7. Planning Commission Comments (including suggestions for next meeting agenda)

Commissioner Sanchez inquired about a timeline of returning to an in-person meeting. CED Director Evan Maxim responded that nothing has been confirmed yet for the next few months.

Councilmember Stanley Tombs recommended for new planning commissioners to look at previous meeting agendas and packet materials to obtain information that may provide insight regarding future agenda items.

Commissioner Hansen inquired about the status of Leslie Baker's vacant position. Jenn indicated that the call for applicants closed mid-September and that there are no updates to report.

8. Adjournment

Chair Basra motioned to adjourn meeting. Commissioner Hansen second. Meeting adjourned at 6:01pm.

DRAFT



MEMORANDUM

Date: October 19, 2021

To: Planning Commission

From: Neil Tabor, Associate Planner

Subject: Short-Term Rental Code Amendments: Code Development

The City is studying potential regulations related to short-term rental (STR) units, to incorporate updates to state law passed in 2019 under RCW 64.37, and garner feedback from the Planning Commission on areas of regulation. This topic was identified by the Planning Commission as needing further review in December 2019, and is on the current Planning Commission Work Program.

On January 28, 2021, Planning and Economic Development Committee heard an overview on short-term rentals and referred the topic to Planning Commission for further study. On February 16, 2021 the topic was presented to the Planning Commission to introduce the topic and solicit initial feedback. On April 20, 2021 specific topic areas were reviewed with the Planning Commission to gather feedback. Due to the effective date of state supportive housing requirements, short-term rental code development was delayed.

Given the length of time since the last meeting on the topic and a new Commission member, at this meeting, staff will provide a brief reintroduction of the topic, and solicit further feedback on preferences for code development for review of draft code at the next planning commission meeting. Specific topics for review will include:

- Maximum occupancy of STRs.
- Parking requirements.
- Capping the number of STRs within the City.
- Limiting the number of STRs a single owner can operate within the City.

Staff will discuss these considerations within the context of neighborhood compatibility and affordable housing. More information on specific considerations can be found within the powerpoint handout. Staff anticipates holding a public hearing in a subsequent Planning Commission meeting.

Enclosures: PowerPoint Presentation

Short-Term Rentals

Planning Commission
October 19, 2021



PRESENTATION OVERVIEW

PURPOSE OF PRESENTATION

- Provide refresher of short-term rental state law, and current city regulations
- Explore potential code revisions for short-term rentals
- Solicit feedback to create draft code

WHY IS THIS ISSUE IMPORTANT?

1. The number of short-term rental of housing units has increased in last decade with easy to use online sharing platforms. SeaTac's location makes it a desirable place to stay for a variety of visitors.
2. These units can provide additional income to property owners, but can create other issues if not properly managed.
3. Our current municipal code has regulations addressing bed and breakfasts, which is out of date with modern trends and state law on short-term rentals passed in 2019.



POTENTIAL COMMISSION ACTION

COMMISSION ACTION REQUESTED

- No immediate action required.
- Take feedback from commissioners as to concerns, areas of focus, or other items to address in draft code.

REVIEWS TO DATE

- Planning Commission: December 2019
 - Information only brief based on changes to state law.
- PED Committee Introduction: January 28, 2021
- Planning Commission:
 - February 16, 2021
 - April 20, 2021



NEXT STEPS IN PLANNING COMMISSION REVIEW

- NEXT STEPS

- Seek guidance on potential regulation categories listed previously
- Staff will review and consider what are other cities in the region have done
- Draft potential code amendments and present for PC edits and feedback

- LATER STEPS

- Conduct SEPA and Department of Commerce review
- Hold Public Hearing at Planning Commission and make recommendation to City Council
- Bring recommendation back to PED
- Bring ordinance to City Council



SHORT-TERM RENTALS BACKGROUND

- HOW A TYPICAL SHORT-TERM RENTAL FUNCTIONS
 - Coordinated through website or mobile application
 - Guest receives instructions coordinating their stay from host
 - Usually, the guest is provided with instructions for an automated key or check-in not requiring presence of host
- TYPES OF SHORT-TERM RENTALS
 - Host/Property Owner may or may not be present
 - Guest may be renting entire house/dwelling unit, or just a single room or space



SHORT-TERM RENTALS BACKGROUND (CONTINUED)

- CURRENT CITY OF SEATAC CODE
 - Written to address short-term renters, under a bed and breakfast model
 - Limits guests to two per room, and no more than six total guests at a time
 - Contains general parking standard
 - Requires King County Health Department approval if serving meals
 - Staff is not aware of any bed and breakfasts within the City
- NEW STATE LAW REGARDING SHORT-TERM RENTALS, RCW 64.37
 - Topics addressed in RCW 64.37 to be included in these amendments:
 - Definitions of short-term rentals
 - a lodging use, that is not a hotel or motel or bed and breakfast, in which a dwelling unit, or portion thereof, that is offered or provided to a guest by a short-term rental operator for a fee for fewer than thirty consecutive nights.
 - Safety
 - Taxes
 - Liability



HOTEL & SHORT-TERM RENTAL STATS

Hotels

- SeaTac has **6,052** hotel rooms with another approximately 600 additional rooms at some stage of planning, or pre-construction.
- The average price per night was found to be about **\$82** based on a sampling of a single Saturday to Sunday stay in March 2021 for the cheapest room for a single guest.
- For reference SeaTac has approximately 10,831 total dwelling units.

Short-Term Rentals

- SeaTac has **85-90** short-term rental units operating within the 1 to 1.5 years.
- The average price for a single guest during the same date surveyed in March 2021 was found to be **\$97**.
 - These listings varied from single rooms, to whole house rentals.
 - A total of 43 units were available on this date.
 - 15 whole home
 - 19 room within home
 - 7 whole MF unit
 - 2 rooms within MF



GOALS IN DRAFTING CODE

- BALANCE ABILITY TO USE PROPERTY WITH IMPACTS TO NEIGHBORHOODS
 - When well regulated and managed, short-term rentals can mitigate impacts on surrounding properties and provide an additional income stream for property owners.
- LIMIT HOUSING UNITS REMOVED FROM REGULAR HOUSING STOCK
 - Committing a dwelling unit to be consistently rented out removes the dwelling unit as available for a long-term tenant, in what is already a constrained housing market.
- ENSURE SHORT-TERM RENTALS OFFERED IN SEATAC ARE SAFE AND COMPLIANT WILL ALL CITY AND STATE REGULATIONS
 - Setting requirements and expectations, for STR operators and their guests communicates standards, increases safety, and streamlines the resolution of problems that arise.



TOPIC OF CONSIDERATION #1

Restriction on number of STR dwelling units a single owner can own in the city

Proposed regulation

- Restrict single property owners to one owner occupied STR dwelling unit and one non-owner occupied STR dwelling unit throughout the City

INTENT

In the interest of preserving existing housing stock for residents of the city, staff suggests stipulating that a single property owner could have up to one STR that rented without any owner occupancy, and another that would require owner occupancy.

CONSIDERATION FROM COMMISSIONERS

1. Agree
2. Disagree
 1. Tighten
 2. Loosen
 3. Remove altogether



TOPIC OF CONSIDERATION #2

Capping the total number of non-owner occupied STRs

Proposed regulation

- Cap the total number of non-owner occupied STR housing units at 2% of total city housing stock

INTENT

In the interest of preserving housing stock for long-term housing, this regulation would limit the maximum number of non owner-occupied to a percentage of total housing units. Currently the percentage of non owner-occupied STRs is ~0.5% of total housing units.

CONSIDERATION FROM COMMISSIONERS

1. Agree
2. Disagree
 1. Tighten
 2. Loosen
 3. Remove altogether



TOPIC OF CONSIDERATION #3

Occupancy

Proposed regulation

- Limit the number of guests to two adults per legal bedroom or ten persons per unit, whichever is less

INTENT

Limiting guests based on the size of the space they are renting reducing the potential for spill over impacts such as excess parking, noise and impacts on surrounding properties, and ensures safety and compliance with the building code requirement which limits to 10 guests without further building requirements not typically seen in single-family homes.

CONSIDERATION FROM COMMISSIONERS

1. Agree
2. Disagree
 1. Tighten
 2. Loosen
 3. Remove altogether



TOPIC OF CONSIDERATION #4

Parking

Proposed regulation

- Whole Unit Rentals: No additional parking required
- Partial Unit Rentals: One additional off-street stall per rental listing over two listings
- Properties in areas within parking permit area: Require all parking to be accommodated off-street

INTENT

Providing adequate parking for the number of guests reduces impacts on surrounding properties.

CONSIDERATION FROM COMMISSIONERS

1. Agree
2. Disagree
 1. Tighten
 2. Loosen
 3. Remove altogether

POTENTIAL COMMISSION ACTION

COMMISSION ACTION REQUESTED

- No immediate action required.
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END

QUESTIONS?

**AREAS YOU SEE AS ESPECIALLY IMPORTANT FOR FURTHER
CONSIDERATION IN CODE DEVELOPMENT?**

