

November 2, 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 19, 2021 meeting.	Review and	Members	5:30
	ŭ .	Approve		(2 min)
3	Public Comment on items <u>not</u> on the agenda.		Chair	5:32 (3 min)
	Comments on agenda items will be addressed after the staff presentation and Commission discussion on each item below.			
	See Public Comment Process below.			
4	Short Term Rentals Code Amendments	Review and Discussion	Members and Staff	5:35 (60 min)
6	CED Staff Report	Briefing	Staff	6:35 (3 min)
7	Planning Commission Comments	Discussion	Members	6:38
	(including suggestions for next meeting			(3 min)
	agenda)			
8	Adjourn			6:41

<u>Public Comment Process:</u> 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.

EXHIBIT 2: Page 1 of 2 DATE: 11/02/21

CITY OF SEATAC PLANNING COMMISSION MEETING Minutes of October 19, 2021 Meeting

Members present: Tej Basra, Tony Sanchez, Alyne Hansen, Andrew Ried-Munro

Members absent: Tom Dantzler, Jagtar Saroya

Staff & Others

Present: Evan Maxim, *CED Director*; Jenn Kester, *Planning Manager*; Neil Tabor,

Associate 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 5:33pm and roll call.

2. Approval of the minutes of October 5, 2021 meeting.

Commissioner Ried-Munro motioned to approve the minutes. Commissioner Hansen second. Minutes were approved.

3. Public Comments on items <u>not</u> on the agenda

None

4. Short Term Rentals Code Amendments

Presented by Associate Planner Neil Tabor. The purpose of the presentation was to provide a refresher of the short-term rental state law and current city regulations, explore potential code revisions for short-term rentals, and solicit feedback to create draft code.

Presentation included next steps in planning commission review, short-term rentals background, hotel & short-term rental stats, and goals in drafting code.

Topic of Consideration #1 – Restrict the 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.

Consideration from commissioners: Will provide feedback upon reviewing draft code.

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.

Consideration from commissioners: Will provide feedback upon reviewing draft code.

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.

Consideration from commissioners: Agree

EXHIBIT 2: Page 2 of 2 DATE: 11/02/21

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 individual room listings.
- Properties in areas within parking permit area: Require all parking to be accommodated off-street.

Consideration from commissioners: Further discussion needed.

Staff let the Planning Commission know that at their next meeting they will review draft code language for further consideration and discussion.

5. CED Staff Report

Presented by Planning Manager Jenn Kester:

 Regarding commissioner Baker's replacement, the mayor is currently reviewing applications and she will bring her recommendations to the Nov 9 Council meeting. If someone is appointed at that meeting, the new commissioner will start on the Nov 16 PC meeting.

6. Planning Commission Comments (including suggestions for next meeting agenda) No comments

7. Adjournment

Chair Basra motioned to adjourn the meeting. Commissioner Ried-Munro second. Meeting adjourned at 6:39pm.

EXHIBIT 4a: Page 1 of 2 DATE: 11/02/21

MEMORANDUM

Date: November 02, 2021 **To:** Planning Commission

From: Neil Tabor, Associate Planner

Subject: Short-Term Rental Code Amendments: Code Develoment

Purpose:

The Plannning Commission will review draft code language regulating short-term rentals in residential properties. Short-Term Rentals include rental of dwelling units for a period of less than 30 days, usually through an online hosting platform. Staff is seeking direction from Planning Commission on any changes desired prior to the public hearing.

Proposed Regulatory Approach and Draft Code Language:

In efforts to address comments made at previous Planning Commission meetings, and provide an array of options for consideration, staff provides the following regulatory approach to short-term rentals, as detailed in the attached draft code.

- 1. A new definition for "short-term rental" will be added to the zoning code, consistent with RCW 64.37, and the definition for "Bed and Breakfast" will be revised. (See 15.105.020 and 15.105.190 in draft code)
- 2. The purpose and applicability of new standards are outlined. (See 15.465.320(A) in draft code)
- 3. General requirements outline performance standards, occupancy limits, operational requirements and ownership restrictions. (See 15.465.320(B) in draft code)
- 4. Parking standards would require differing amounts of additional parking provided, based on the type of short-term rental, and whether the property is within a parking permit area. (See 15.455.120 in draft code)

Staff will present the draft code by section in a presentation format for Planning Commission discussion. More information on specific considerations can be found within the powerpoint handout. Staff anticipates holding a public hearing at the next Planning Commission meeting.

Planning Commission Consideration

During the meeting, staff will walk the Planning Commission through the draft cdoe language. At this meeting, Planning Commission should provide direction on any changes desired, so staff can prepare for the public hearing.

Next Steps:

A public hearing of the draft code will likely occur in a November or December 2021, Planning Commission meeting. Staff has transmitted the draft language to the Department of Commerce for a 60-day

EXHIBIT 4a: Page 2 of 2 DATE: 11/02/21

review. SEPA review of the draft code will likely occur later in December 2021. This schedule allows the City Council to adopt code amendments in early 2022.

Attached Items:

- 1. PowerPoint Presentation
- 2. Draft Code

11/02/2021 Page 2 of 2

EXHIBIT 4b: Page 1 of 3 DATE: 11/02/21

Short-Term Rental Code Updates

15.105.020 "B" Definitions.

Bed and Breakfast

A dwelling unit within which bedrooms are available for paying transient guests. The number of guests is limited to no more than six (6) at any time.

An owner-occupied dwelling which rents no more than three (3) bedrooms to no more than six (6) guests at a time for a period less than thirty (30) consecutive days and provides at least one meal per day. A bed and breakfast is not a short-term rental as defined in SMC 15.105.190.

15.105.190 "S" Definitions.

Short-Term Rental

Short-term rental means 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 (30) consecutive nights. Short-term rentals do not include any of the uses specified in RCW 64.37.010(9)(b).

15.465.320 Short-Term Rentals

A. Purpose & Applicability.

- 1. The section is intended to establish standards for the operation of dwelling units used as short-term rentals for the purposes of ensuring neighborhood compatibility, and safety for short-term rental guests and the broader community.
- This section applies to uses meeting the definition of "Short-Term Rental" found in SMC 15.105.190.
- 3. <u>Provisions of this section apply to short-term rentals in which the entire dwelling unit is</u> rented, as well as individual room rentals meeting the definition of a short-term rental.

B. **Short-Term Rental Requirements.**

1. General

- a. All short-term rentals shall comply with all sections of RCW 64.37.
- b. <u>Violation of requirements in this section may result in the suspension or revocation of the short-term rental permit and/or business license endorsement.</u>
- c. No short-term rental is allowed in any dwelling unit to which any income restrictions are in effect under any local, state, or federal authority.
- d. Any property receiving a multi-family tax exemption is not eligible for any of its units to be used as short-term rentals.

EXHIBIT 4b: Page 2 of 3 DATE: 11/02/21

e. The City of SeaTac is not responsible for review of compliance with any Home

Owner's Association (HOA), Condo Ownership Group, or rental agreement
restrictions that may exist regarding short-term rentals. It is the responsibility of the
applicant to review for compliance with any superseding regulations, and receive
approvals from any bodies as needed prior to submitting materials to the City of
SeaTac for review.

2. Occupancy & Licensing

- a. No more than two (2) persons per bedroom over the age of two (2) years old per bedroom rented, or ten (10) persons per rental, whichever is less, are permitted.
 Studio apartments are considered as a single bedroom for the purposes of this section.
- b. <u>All short-term rentals are required to obtain an active Washington State Business</u>
 License with City of SeaTac Endorsement.
- c. <u>All short-term rentals are required to maintain an active City of SeaTac permit for operating a short-term rental.</u>
- d. All short-term rental advertisements shall represent the property in a manner which complies with all City of SeaTac and state regulations.

3. **Operation**

- a. The following information shall be posted in a conspicuous place within each dwelling unit, or room, used as a short-term rental.
 - i. The short-term rental street address;
 - ii. The emergency contact information for summoning police, fire, and emergency medical services;
 - iii. The floor plan indicating fire exits and escape routes;
 - iv. The maximum occupancy limits;
 - v. The contact information for the operator or designated contact;
 - vi. A copy of the City of SeaTac Good Neighbor Guidelines; and
 - vii. A copy of an active business license for the short-term rental, with City of SeaTac Endorsement.
- b. The contact for the site shall reside within thirty (30) miles of the site address, and shall generally be able to reach the address of the short-term rental within one (1) hour of departure from their residence. It is the responsibility of the operator to update any changes to the site contact in materials provide to the guests, and to the City of SeaTac, prior to any subsequent rentals.
- c. <u>All short-term rentals must be in compliance with RCW 19.27.530 Carbon Monoxide</u> <u>Alarms-Requirements-Exemptions-Adoption of rules.</u>

4. Ownership Limitations

a. The percentage of total short-term rentals not occupied by the owner or a long-term tenant for at least six-months out of a year shall not exceed three (3) percent of total dwelling units within the City of SeaTac. Once this limit has been reached, no new non-owner/long-term tenant occupied short-term rental permits will be accepted until such time that total citywide dwelling units increase, or other non-owner/long-term tenant occupied short term rental units cease operation.

EXHIBIT 4b: Page 3 of 3 DATE: 11/02/21

- b. No short-term rental operator is permitted to own, operate, or have any interest in more than one (1) short-term rental unit they are not occupying.
 - i. Short-term rental owners and operators shown to own or operator more than one non-owner occupied dwelling unit prior to the adoption of this ordinance are eligible to continue use of these short-term rentals, provided they are legally permitted and remain in good standing. Expiration, or revocation of the associated business license or permit will result in the loss of vesting for this use.
- c. <u>Short-term rental operators must remit all applicable local, state, and federal taxes unless completed through the hosting platform, RCW 64.37.020.</u>
- d. A short-term rental operator must maintain primary liability insurance meeting the requirements of RCW 64.37.050.

<u>15.455.120 Parking Chart for Required Off-Street Spaces</u>

LAND USE	MINIMUM SPACES REQUIRED	ADDITIONAL REGULATIONS	
RESIDENTIAL			
Short-Term Rental	1 per bedroom, beyond two (2) individual bedroom rentals.	Short-Term Rentals renting out an entire dwelling unit are not required to provide any parking in addition to the code required parking for the underlying residential unit type.	
		Short-Term Rentals in a parking permit area must demonstrate all parking can be provided off-street.	

EXHIBIT 4c: Page 1 of 15 DATE: 11/02/21

Short-Term Rental Draft Code Review

Planning Commission
November 2, 2021



EXHIBIT 4c: Page 2 of 15 DATE: 11/02/21

PRESENTATION OVERVIEW

PURPOSE OF PRESENTATION

- Review draft code in anticipation of public hearing
- Identify desired changes to the draft code

CONSIDERATIONS

- 1. Provide feedback as to areas to remove, add or modify in draft code.
- 2. Some items included in the draft code are references or paraphrasing of RCW 64.37 which supersedes SeaTac's code authority.



EXHIBIT 4c: Page 3 of 15 DATE: 11/02/21

POTENTIAL COMMISSION ACTION

COMMISSION ACTION REQUESTED

- To provide staff the best information for any suggested changes please identify:
 - Specific code that is of concern, and reason for concern
 - Proposed change (removal, addition, change)
 - Any suggestions for change

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
 - October 19, 2021

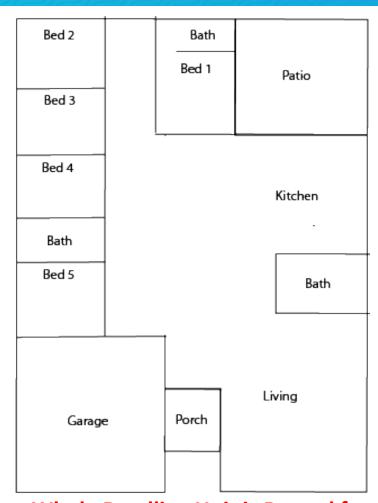


EXHIBIT 4c: Page 4 of 15 DATE: 11/02/21

STR VISUALIZATION

What qualifies as a STR?

- RCW 64.37.010 defines what is, and is not a Short-Term Rental
 - This specifically excludes other uses such as:
 - Hotels & Motels
 - Bed & Breakfasts
 - Rentals for 30 days or greater
 - Generally housing for those being treated for trauma, injury, disease or their family members.
 - Dwelling units occupied by the owner for at least six months a year, and renting fewer than three rooms as short-term rentals.



Whole Dwelling Unit is Rented for a period of fewer than 30 days

EXHIBIT 4c: Page 5 of 15 DATE: 11/02/21

STR VISUALIZATION (CONT)

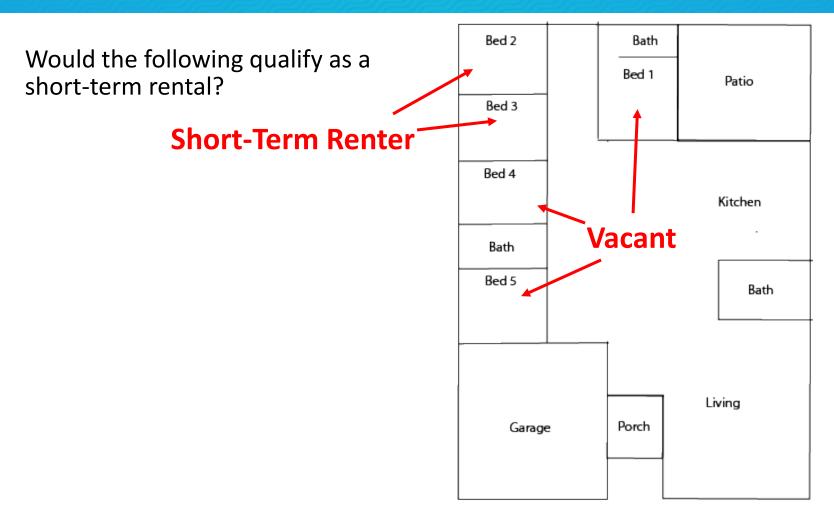




EXHIBIT 4c: Page 6 of 15 DATE: 11/02/21

STR VISUALIZATION (CONT)

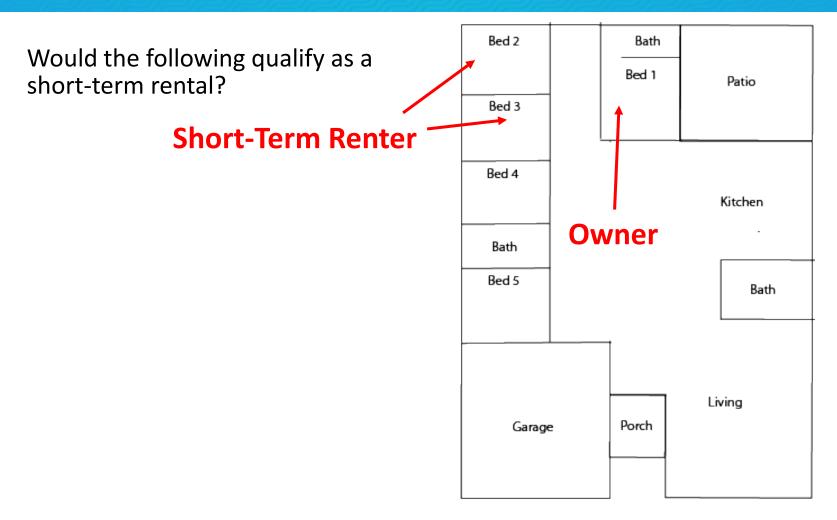




EXHIBIT 4c: Page 7 of 15 DATE: 11/02/21

DEFINITIONS

15.105.020 "B" Definitions.

Bed and Breakfast

A dwelling unit within which bedrooms are available for paying transient guests. The number of guests is limited to no more than six (6) at any time.

An owner-occupied dwelling which rents no more than three (3) bedrooms to no more than six (6) guests at a time for a period less than thirty (30) consecutive days and provides at least one meal per day. A bed and breakfast is not a short-term rental as defined in SMC 15.105.190.

15.105.190 "S" Definitions.

Short-Term Rental

Short-term rental means 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 (30) consecutive nights. Short-term rentals do not include any of the uses specified in RCW 64.37.010(9)(b).



EXHIBIT 4c: Page 8 of 15 DATE: 11/02/21

PURPOSE & APPLICABILITY

15.465.320 Short-Term Rentals

A. Purpose and Applicability.

- 1. The section is intended to establish standards for the operation of dwelling units used as short-term rentals for the purposes of ensuring neighborhood compatibility, and safety for short-term rental guests and the broader community.
- 2. This section applies to uses meeting the definition of "Short-Term Rental" found in SMC 15.105.190.
- 3. Provisions of this section apply to short-term rentals in which the entire dwelling unit is rented, as well as individual room rentals meeting the definition of a short-term rental.



EXHIBIT 4c: Page 9 of 15 DATF: 11/02/21

GENERAL

15.465.320 Short-Term Rentals

B. Short-Term Rental Requirements.

1. General

- a. All short-term rentals shall comply with all sections of RCW 64.37.
- Violation of requirements in this section may result in the suspension or revocation of the short-term rental permit and/or business license endorsement.
- c. No short-term rental is allowed in any dwelling unit to which any income restrictions are in effect under any local, state, or federal authority.
- d. Any property receiving a multi-family tax exemption is not eligible for any of its units to be used as short-term rentals.
- e. The City of SeaTac is not responsible for review of compliance with any Home Owner's Association (HOA), Condo Ownership Group, or rental agreement restrictions that may exist regarding short-term rentals. It is the responsibility of the applicant to review for compliance with any superseding regulations, and receive approvals from any bodies as needed prior to submitting materials to the City of SeaTac for review.

EXHIBIT 4c: Page 10 of 15 DATE: 11/02/21

OCCUPANCY

15.465.320 Short-Term Rentals

2. Occupancy & Licensing

- a. No more than two (2) persons per bedroom over the age of two (2) years old per bedroom rented, or ten (10) persons per rental, whichever is less, are permitted. Studio apartments are considered as a single bedroom for the purposes of this section.
- b. All short-term rentals are required to obtain an active Washington State Business License with City of SeaTac Endorsement.
- c. All short-term rentals are required to maintain an active City of SeaTac permit for operating a short-term rental.
- d. All short-term rental advertisements shall represent the property in a manner which complies with all City of SeaTac and state regulations.



EXHIBIT 4c: Page 11 of 15 DATE: 11/02/21

OPERATION

15.465.320 Short-Term Rentals

3. Operation

- a. The following information shall be posted in a conspicuous place within each dwelling unit, or room, used as a short-term rental.
 - i. The short-term rental street address;
 - ii. The emergency contact information for summoning police, fire, and emergency medical services;
 - iii. The floor plan indicating fire exits and escape routes;
 - iv. The maximum occupancy limits;
 - v. The contact information for the operator or designated contact;
 - vi. A copy of the City of SeaTac Good Neighbor Guidelines; and
 - vii. A copy of an active business license for the short-term rental, with City of SeaTac Endorsement.
- b. The contact for the site shall reside within thirty (30) miles of the site address, and shall generally be able to reach the address of the short-term rental within one (1) hour of departure from their residence. It is the responsibility of the operator to update any changes to the site contact in materials provide to the guests, and to the City of SeaTac, prior to any subsequent rentals.
- c. All short-term rentals must be in compliance with RCW 19.27.530 Carbon Monoxide Alarms-Requirements-Exemptions-Adoption of rules.



EXHIBIT 4c: Page 12 of 15 DATE: 11/02/21

15.465.320 Short-Term Rentals

4. Ownership Limitations

- a. The percentage of total short-term rentals not occupied by the owner or a long-term tenant for at least six-months out of a year shall not exceed three (3) percent of total dwelling units within the City of SeaTac. Once this limit has been reached, no new non-owner/long-term tenant occupied short-term rental permits will be accepted until such time that total citywide dwelling units increase, or other non-owner/long-term tenant occupied short term rental units cease operation.
- b. No short-term rental operator is permitted to own, operate, or have any interest in more than one (1) short-term rental unit they are not occupying.
 - i. Short-term rental owners and operators shown to own or operator more than one non-owner occupied dwelling unit prior to the adoption of this ordinance are eligible to continue use of these short-term rentals, provided they are legally permitted and remain in good standing. Expiration, or revocation of the associated business license or permit will result in the loss of vesting for this use.
- c. Short-term rental operators must remit all applicable local, state, and federal taxes unless completed through the hosting platform, RCW 64.37.020.
- d. A short-term rental operator must maintain primary liability insurance meeting the requirements of RCW 64.37.050.

EXHIBIT 4c: Page 13 of 15 DATE: 11/02/21

PARKING

15.455.120 Parking Chart for Required Off-Street Spaces

LAND USE	MINIMUM SPACES REQUIRED	ADDITIONAL REGULATIONS	
RESIDENTIAL			
Short-Term Rental	1 per bedroom, beyond two (2) individual bedroom rentals.	Short-Term Rentals renting out an entire dwelling unit are not required to provide any parking in addition to the code required parking for the underlying residential unit type.	
		Short-Term Rentals in a parking permit area must demonstrate all parking can be provided off-street.	



EXHIBIT 4c: Page 14 of 15 DATE: 11/02/21

POTENTIAL COMMISSION ACTION

COMMISSION ACTION REQUESTED

Provide feedback as to areas to remove, add or modify 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
 - October 19, 2021



EXHIBIT 4c: Page 15 of 15 DATE: 11/02/21

