

## Ben Rough

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**From:** John Willett <johnwillett@embarqmail.com>  
**Sent:** Sunday, March 22, 2015 1:25 PM  
**To:** Ben Rough  
**Cc:** Perry Huston; 'John Willett'  
**Subject:** NR Zoning Ord. 2015 rewrite 2.21.15  
**Attachments:** NR Zoning Ord. 2015 rewrite 2.21.15.doc

Ben and Perry,

Good to talk with you Ben on Friday and good to hear you are working on the Nightly Rental Zoning code update. Here is my latest (3/21/15) suggestions for the Nightly Rental Zoning Code Ordinance, that I have been working on with Perry.

I also have talked with Ray Campbell and he is on board with getting this fixed.

Ray's daughter was the owner of Central Reservations in Winthrop, after the Devin's and has told her Dad some horror stories about all the illegal nightly rentals.

Thanks for your help,

John Willett  
Methow Valley Lodging Association, VP

REF: Okanogan New Zoning Code and rewrite

Lodging Business Owners,

WE know that there is now 80 or so Nightly Rentals in the Methow Valley doing business both legally and illegally. The number of permits issued by the Planning Dept are not even half that. The Health Dept and the Planning Dept do not compare their lists and consequently there is no conformity. VRBO and other out of the valley rental agencies are not monitoring legalities or taxes. The mission here would be to make sure that all Lodging Businesses are competing fairly, lodging is in approved areas and all lodging businesses are supporting our infrastructure.

The Okanogan County Planning Dept is working on the rewriting of the Okanogan County Zoning Code from January 2015 until an estimated time of June 2015. The Draft Zoning Code will be submitted to the Commissioners, Residents, Concerned others and other Departments approx in April 2015.

If you want your concerns heard and included in the new Zoning Code, then the best way to do that and meet the Draft submittal deadline is get involved early. WE must not make the mistake that was made the last Zoning rewrite and not make sure all the language we want is in and is brought forward.

I had a meeting, again, with Perry Huston, Okanogan County Planning Director 1/21/15. Here are some thoughts he had about the Nightly Rentals in the Zoning Code.

1) What is the vehicle for permitting? Currently: Re-Zone to Planned Development, Potential: Conditional use permit Both require public input and SEPA review!

2) Where can the NR legally exist? PD rezone compatible in what Comprehensive Plan designation; CUP's in what zones? Commercial Zones? Residential Zones?

3) What to do about existing NR's that are considered legal non-conforming? Will they be required to come into compliance with new laws? If so what is reasonable amortization period?

4) What about code compliance? Violation is currently a criminal violation with jail time. Does that complicate enforcement? Should it be a civil infraction?

5) What should be done with violators? Should penalty include payment of back taxes (or documentation showing they paid taxes) and any other fees that they may have missed. What is reasonable for those that have abided by the law and those that have not?

The Planning Department needs to revisit the District Use Chart and figure out what activities should be listed in what zones as permitted or conditional uses as well as process for interpreting activities not listed. That needs the Lodging Industries input, in time for the Draft Zoning Plan submittal, if we want the best chance of getting our concerns heard and included in the rewrite of the Okanogan County Zoning Code.

Currently nightly rentals are only allowed in Planned Developments. As of late this permitting has caused motel like developments to be erected in residential areas where the owners of the Planned Developments have made multiple lots in clusters on their property but have not sold those lots to others, but have keep them for themselves and basically developed the lots, with small cabins, very much like Motels, Motels that are supposed to be only in commercial zones. To rectify this obvious bending of the laws of Okanogan County it is recommended there be the following changes in the Zoning code:

Nightly rentals will be authorized through the Okanogan County Zoning ordinance as legal non-conforming development with a SEPA review required in each case.

Nightly Rentals are allowed in Residential and Commercial zones only under certain conditions. In commercial zones they will follow all **applicable** permitting associated with Hotels and Motels.

In Residential zones Nightly Rentals are limited to one unit per lot, per the designation of lot sizes for that particular zone. There will be no exceptions. i.e. one unit on 20 acres in the uplands zone in Mazama or one unit per 5 acre lot on the Mazama valley floor zone. There will be only one unit per lot and only one nightly rental per owner per lot or a owner in a development, whether one person or one family member within a planning area. Nightly rentals will follow IRS rules about owner use of 14 days a year.

Existing Nightly Rentals in PD's prior to 2014 and after 2005 are grandfathered in, but they must show that they are paying state retail and Hotel/Motel taxes. All Nightly Rentals are required to pay state retail taxes and Hotel/Motel County taxes to get a permit. All back taxes will be paid before any permit is issued to any Nightly Rental and non compliance will result in losing their right to receive a NR permit. Any Nightly Rental that has not been paying their retail or Hotel/Motel taxes will also be fined twice these back taxes by the County and a permit will not be issued before the fines are paid.

Existing Nightly Rentals prior to 1995 that had a Planning Dept. permit from that date back are grandfathered in and do not have to update or comply with any new Okanogan County Planning permitting rules for Nightly rentals. Though they must renew and pay their annual permitting fees.

All nightly rentals after 1995 that have not applied for or have not gotten a Okanogan County Planning Dept. permit will have to acquire one within 3 years as follows: NR applications must be submitted within a year of the adoption on the Nightly Rental ordinance here within this document. These nightly rentals must have their permits in hand within two years or must cease from all business as a nightly rental. Those that do not comply or apply within the one year period said above, will receive a notice of non compliance. At two years or one year from the issuance of the notice of non compliance the offender will be given a misdemeanor citation by Planning. Those in non compliance after two years will be fined \$50.00, fifty dollars, a day until they cease renting and at three years or three years from the date of adoption of this zoning ordinance, will be given notice by the prosecutors office of a gross misdemeanor offense for non compliance of the Nightly rental Zoning Code, where upon they will have to come before the Okanogan Court in a timely manner and show just cause for their non compliance to the zoning code. At four years of non compliance and still doing business as a nightly rental the owners

will face criminal charges and have to show just cause for their actions in criminal court in Okanogan before the Okanogan County court and the court will levee appropriate fines and jail time for the offense(s). All fines at the above rate and court costs shall be paid by the defendant in both cases.

The Planning Dept of Okanogan County will permit a nightly rental for an appropriate fee to cover their costs before any permitting process will start and if a permit is issued Planning will share this permit and any other pertinent information with the County Health Dept. The County Health Dept will not issue any permit until Planning has given them a copy of their legal permit for the nightly rental and it is on record. The Health Dept must permit the nightly rental according to its rules and regulations and charge appropriate fees to cover their costs.

There will be a annual permitting process and appropriate fee by both Planning and Health. The process will also require a renewal check list that asks if the applicant has paid the required taxes and has read and is abiding by the Okanogan County Nightly Rental ordinance. The renewal will also ask how many times the owner has used the Nightly Rental in the past year for personal use and how many times the Nightly Rental was rented to customers in the past year. Planning can at any time ask for verification of the check list supplied by the Nightly Rental owner or their rental agent and/or manager. Planning or Health can revoke any Nightly Rental permit for just cause of non compliance of the Nightly Rental Zoning Code.

The purpose of the Nightly Rental Ordinance is to make sure that Nightly Rentals are competing legally and fairly with other Nightly Rentals, Hotels, Motels, Resorts and Bed and Breakfasts.