



SHORT-TERM RENTAL ORDINANCE IMPLEMENTATION WORK GROUP AGENDA
Monday, June 08, 2020 - 12:30 PM
City Hall, Council Chambers, 169 SW Coast Hwy, Newport, OR 97365

This meeting will be held electronically. The public can live-stream this meeting at newportoregon.gov/citygov/comm/stroiwg. The meeting will also be broadcast on Charter Channel 190. Public comment may be made, via e-mail, up to two hours before the meeting start time at publiccomment@newportoregon.gov. Additionally, anyone wishing to speak on any agenda item, or during public comment, should e-mail their telephone number, and the item they wish to address, up to two hours before the start of the meeting, to s.marineau@newportoregon.gov, and staff will telephone that person when that item is being discussed at the meeting.

The agenda may be amended during the meeting to add or delete items, change the order of agenda items, or discuss any other business deemed necessary at the time of the meeting.

1. INTRODUCTIONS
2. REVIEW AND AMEND AGENDA, AS NEEDED
3. APPROVAL OF MINUTES
- 3.A February 26, 2020 STR Implementation Work Group Meeting.
[Draft 02-26-2020 STR Work Group Minutes](#)
4. PUBLIC COMMENT
This is an opportunity for members of the audience to bring to the Work Group's attention any item not listed on the agenda. Comments will be limited to three (3) minutes per person with a maximum of 15 minutes for all items. Speakers may not yield their time to others.
5. DISCUSSION ITEMS

5.A Revisions to NMC Chapter 4.25, Short-Term Rental Business License Endorsements.
[Memorandum](#)
[Mock-up Copy of NMC Chapter 4.25 Revisions](#)

5.B Enforcement Update.
[Memorandum](#)
[Email From CSO Folmar, dated February 21, 2020](#)
[Chart Summarizing the STR Enforcement Process](#)

5.C Licensed Short-Term Rentals with Operations Plans.
[Memorandum](#)
[Emergency Order No. 2020-17](#)
[List of Transient Lodging Establishments That Filed Operations Plans](#)

5.D Impact of COVID-19 on STR Work Group's Mandate.
[Memorandum](#)
[Resolution No. 3857](#)

5.E Correspondence from Advocates for Safe & Healthy VRD-Free Neighborhoods in Newport.
[Memorandum](#)
[Email from Carla Perry with Bullet List](#)

5.F Online Payment of Business License and Transient Room Tax Fees.
[Memorandum](#)

5.G Short-Term Rental Licensing Fees.
[Memorandum](#)
[Resolution No. 3849](#)
[Proposed FY 20/21 Fee Schedule](#)

5.H Additional Public Correspondence.
[Sherry Meek Correspondence](#)

5.I Bill Posner Resignation.
[Bill Posner Resignation Email](#)

6. FUTURE MEETING SCHEDULE

7. PUBLIC COMMENT

This is an opportunity for members of the audience to bring to the Work Group's attention any item not listed on the agenda. Comments will be limited to three (3) minutes per person with a maximum of 15 minutes for all items. Speakers may not yield their time to others.

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7.A Additional Public Testimony

[Public Testimony - Carla Perry](#)

[Public Testimony - Elaine Karnes](#)

[Public Testimony - Mona Linstromberg](#)

8. ADJORN

Draft MINUTES
City of Newport
Short-Term Rental Implementation Work Group Meeting
City Hall, Conference Room A
Wednesday, February 26, 2020

AC Members Present: Cynthia Jacobi, Bill Posner, Dietmar Goebel, Spencer Nebel, and Bill Branigan.

AC Members Absent: Jamie Michel, and John Rogers (*all excused*).

City Staff Present: Community Development Director (CDD), Derrick Tokos; Police Chief, Jason Malloy; Community Service Officer, Jim Folmar; Finance Director, Mike Murzynsky; and Executive Assistant, Sherri Marineau.

Public Members Present: Carla Perry, Mona Linstromberg, and Cheryl Connell.

1. **Call to Order.** The meeting was called to order at 10:05 a.m.
2. **Review and Amend Agenda as Needed.** Introductions were done. Tokos asked for amendments to the agenda. Spencer Nebel requested an addition to Agenda Item 7 to discuss communications with the Clifford family. Tokos requested that the current Agenda Item 9 be carried over to the next meeting since John Rogers was not present. In its place, they would add a discussion on the online payment of room taxes and business licenses.
3. **Approval of Minutes.** Tokos asked for approval of minutes. Motion was made by Nebel, seconded by Jacobi to approve the minutes as written. All approved.
4. **Public Comment.** Tokos opened up the meeting for public comment. None were heard at that time.
5. **Update on Licensed Short-Term Rentals, Cap, and Waitlist.** Tokos reviewed the staff memorandum noting the current number of licensed Short-Term Rentals (STRs). He explained what active and inactive STR licenses meant. He reported that the total number of residential units inside of the overlay zone equated to about 2,130 dwellings, which was 37 percent of the City's housing. The 176 unit vacation rental cap amounted to a little over eight percent of the housing in the overlay zone.

Branigan asked for clarification on the status of the available three STR licenses. Tokos explained that the City would be working on notifying people on the waitlist that there was an open spot for them. Staff would review if they met the standards and qualified for a license. If they didn't, they would be skipped and staff would move on to the next person on the waitlist. If the person was skipped, they would be kept on the waitlist and the City would provide communication to them to inform them on how they didn't meet the rules. Malloy asked if applicant would have a specific time to submit their applications. Tokos said there would be an administrative decision made to determine how long the process would be. Nebel thought an internal policy should be in place to know how it would work. Tokos explained there would be a two-step process which included a time frame on when the applicant would have to submit, and then another deadline on when they needed to complete the application process. The City would document the notices that were sent to those who were skipped in a formal letter.

6. **24/7 Hotline Implementation.** Tokos reviewed the staff memorandum noting the correspondence from LodgingRevs that related to how their operators interfaced with police dispatch and which enhancements could be made to centralize the incident/complaint database. They agreed to do some changes to the report features but the changes weren't completed yet. Tokos thought this would be done in a couple of weeks.

Branigan asked if the Excel export report worked. Tokos said it wasn't working yet but was what would be fixed. Goebel asked how the City identified illegal STRs that LodgingRevs didn't pick up. Folmar said if the owners were renting without advertising, there was no way to catch it unless someone reported it. He gave an overview on LodgingRevs' process to find illegal STRs. Folmar noted that to his knowledge there weren't many of these

types of rentals, and he had caught one or two through Craigslist so far. Folmar noted that LodgingRevs was approximately 98 percent correct in identifying illegal rentals.

Posner asked for clarification on the response LodgingRevs gave on Request 4. Tokos explained that meant that automatic emails after-hours to a different city emails address wasn't possible. Posner thought this would be simple to do and questioned why they wouldn't do it. Tokos would get additional information from LodgingRevs on why they couldn't. He guessed that they would be able to design a system to do this and would push for this.

Jacobi asked if there was a way for citizens to know if their complaint had been received. Tokos explained the when someone called in a complaint they would know. LodgingRevs wasn't prepared to do an online report. Folmar was currently doing the feedback but it wasn't immediate.

Tokos reviewed the hotline script and explained that it there wasn't text included on how LodgingRevs would send the complaint over to dispatch. He noted that they were happy to add some language. Malloy felt comfortable with working on the script to say that if there was loud noise and disturbance, or parking impediment, LodgingRevs would automatically transfer the call to police dispatch. Posner asked what would happen to the original record of the first complaint. Tokos explained it would be logged and say it was referred to dispatch.

7. **STR Ordinance Implementation Issues.** Tokos reviewed his staff memorandum. He noted the Nye Sands Home Owner's Association (HOA) submitted notification about the work being done at the condos. This work meant that the licensed units in the complex wouldn't be able to meet the 30 day use requirement because of the nature of the ongoing work. Owners had concerns they would lose their license due to no fault of their own. Tokos asked the Work Group to consider this and give feedback on making a targeted change to the code that would say there was an outlet for consideration the owners could provide evidence that they couldn't use a unit for an extended period of time.

Goebel thought this would be reasonable. Posner asked if the work was being done by the condo owners or the HOA. Tokos explained the work was a major renovation through the HOA and the owners didn't have control over the repairs. Branigan asked if these types of exceptions could come to the Work Group for a determination instead of going to staff. Tokos explained that what he was looking for was a nod from the Work Group to say they were okay with making a reasonable small change to the code. Nebel thought they should run it by legal first to see the best way to handle it. Tokos thought it was important to get a change to the code done before the STR license renewal period was up so that people didn't lose their licenses. Posner thought owners in these scenarios should have some way to address the issues. Goebel asked if someone tore down and rebuilt a STR, would this change apply. Tokos explained that they could include in the code some acknowledgement for some of these provisions as opposed to defaulting to a nonconforming use right. He explained that a tearing down and rebuilding a nonconforming STR would be an alteration of a nonconforming use which would go to the Planning Commission for approval. They would also have to go through this process if they were adding a bedroom to a nonconforming STR. Tokos thought that the City might start to see more applications for nonconforming use alterations and thought the Planning Commission would be hard pressed to grant these changes for units outside of the overlay zone. Goebel asked if someone had a license for a STR in their main dwelling, could they transfer the license to their Accessory Dwelling Unit. Tokos explained if the license was nonconforming, it would be an alteration to a nonconforming use and would go to the Planning Commission for approval. If the STR was in the overlay zone and was conforming to all of the new standards, they would be allowed to apply for a new license to add the bedroom without having to get approval from the Planning Commission.

Tokos started a discussion on Nebel's request to review the 24/7 hotline signs for B&Bs and home shares, and whether or not these types of STRs needed to have the signs posted at all times. Nebel explained that one of the B&B owners asked for a request that they not be required to post a 24/7 hotline sign because they were onsite at all times. Goebel noted that a licensed STR owner reported that their unit had been broken into since they put up a sign. The owner felt the signs advertised vacancy, making it a target. Goebel asked how this should be addressed. Tokos thought they needed to review the actual proof to see what was actually happening. Posner didn't have a concern because B&Bs were already required to post signs for their businesses. Nebel noted that the ordinance said that B&Bs needed to be signed as well all other STRs. Tokos reported that he could add it to the list of target changes, along with the concept of condominium buildings being required to only have one sign

per building instead of multiple signs on one building. Jacobi saw how signs wouldn't be as necessary on B&Bs as they would for STRs and home shares. She thought it should be added to a "think about it" list for the Work Group to consider later.

Tokos reported that there had been a few people who wanted STR licenses that the City couldn't help. He reviewed the additional agenda item concerning the Clifford's who purchased a previously licensed STR before the ordinance changed, but didn't come in to get their own license before the new ordinance was in place. When they did come in, it was determined they couldn't get a license and were placed on the waitlist. Nebel noted that they argued that when they bought the unit there was a license on the wall, they thought they were legal, and they never got a notice of renewal because it was sent to the old owner. Because of this, they felt they never had a chance to get a license. Tokos noted the Clifford's had the option to do a long-term rental at their unit. Goebel asked that the Clifford's be told they had the long-term rental option. Jacobi wasn't in favor of making an exception for them.

8. **Enforcement Update.** Folmar reviewed a list he handed out to the Work Group. This list showed the complaints that LodgingRevs received that were submitted either online or by phone, the date of the incident, the response dates, and how they were responded. He noted that there had been 30 complaints in five months, and all but one was closed.

Goebel asked for an update on the complaint for 1330 NW Spring Street. Folmar explained that he understood that the registered owners retained council and a hearing in municipal court would be scheduled where the owners would argue that the endorsement and business license were for the entire tax lot, which included the additional Accessory Dwelling Unit. Tokos walked the Work Group through the citation process and clarified that citations were issued for unlicensed rental units only. He explained that unlicensed STR owners would get an initial warning. If they didn't take down their ad, they would receive a citation with a monetary fine and a date for municipal court where they could make their case if it was a mistake. Tokos explained that in the case of the Spring Street property, they did not appear at court. When they didn't appear for court, a second citation was issued and a new court date was set. The owners then notified the court that they were retaining council and continued to rent the unit.

Tokos reported that there needed to be a discussion with the judge on how to handle the instances when people didn't appear. Malloy explained they didn't have any way to board up people's properties and there were no consequences through the municipal court. The circuit courts could issue judgments that could be monetary, civil or criminal. This was a timing issue and a more expensive process for the City. Malloy confirmed that at that moment, the Spring Street case was still in municipal court. He noted he would be meeting with Judge Pridgeon to discuss this in the following weeks. They needed to see the legality and get the City Council's direction for when a person didn't appear. Malloy explained that the municipal court judge didn't have any teeth. They needed to review how to go forward with citations adjudicated and get an injunction to enforce. A discussion ensued regarding the timeline for prosecuting cases. Malloy hoped to give an update from the judge to the Work Group at the next meeting.

Posner asked why one of the complaints on the list came in on October 21st but wasn't responded to until October 29th. Folmar explained that he was on vacation at that time and wasn't able to respond until he was back. Malloy said they were working with LodgingRevs to send email notification to Folmar immediately. The other CSO Ballentine would now be checking complaints on the days Folmar was off to address them as well. Goebel asked for an explanation on what "other" complaints were. Folmar explained that these were typically things such as when a renter couldn't get into the unit and LodgingRevs contacted the local contact to assist. Folmar noted that he would followed up with the complainants to see if there had been a response in an appropriate timeframe. Most of the feedback had been very positive about responses.

Tokos noted there would be a sit down conversation with the judge and there would be a follow up with the Work Group on what was determined.

9. **Online Room Tax Collections and Business License Update.** Murzynsky reported that they put the collections on hold because of glitches with the Caselle software. The thought was to start with collection on hotels first to

see how it worked out. There was also a discussion to do business license payments as well. Goebel asked why STR room taxes weren't included in these collections. Murzynsky explained that they would possibly add STRs but the logistics needed to be worked out. Tokos explained that LodgingRevs would be comparing the room tax payment data that the City shared with them to point out where the data was out of whack, and then report back what should have been paid. He noted the implementation of LodgingRevs's room tax estimates would be on hold until this was worked out. Goebel asked what would happen when there were discrepancies. Malloy said the transient room tax code provisions said that if there was any evidence of fraud there would be immediate cause for revocation and the matter would be deferred to the Police Department. He said they would keep issuing citations until this had been corrected. Nebel noted the audit provisions would be cleaned up to give clear authority. A discussion ensued regarding the glitches with the Caselle software, the anticipated start time to receive payments, and which types of payments would be allowed.

10. **Introductions of Advocates for Safe and Healthy VRD-Free Neighborhoods-Newport Priorities.** Tokos reviewed the list of priorities that were provided to the work group by the Advocates. He explained that the thought was to have staff provide feedback to the Work Group at the next meeting.

Cheryl Connell, Carla Perry and Mona Linstromberg addressed the Work Group. Connell explained that the list they presented included the most important points they wanted the Work Group to consider. She noted the first paragraph was based on their engagement with neighborhoods and various City departments. They had concerns on enforcement of the STR code in documented form. Connell requested the Work Group look at ways to comprehensively address the issues with STRs.

Connell explained that the group wanted the City to look at how they could make enforcement go fast by changing the culture of voluntary compliance to mandatory compliance. She thought that if the Work Group addressed these priorities they would go a long way to address concerns about how enforcement activity was really happening. Tokos noted the staff level response would be scheduled for further discussion at the next meeting. Posner asked what the group meant by requesting that issues were dealt with within an hour. Perry explained they wanted a compliance log from the system that showed a response within one hour. Nebel explained that the code said that the manager/owner had to respond within an hour. He asked if LodgingRevs was able to show that this was done. Tokos explained there was no way for them to document when there was a response. Nebel wanted to know if there was a mechanism built into LodgingRevs to allow them to be notified by the contact when they had responded. A discussion ensued on how contacts acknowledged that they responded to complaints, and options to set up a way for contacts to notify LodgingRevs that they had responded. Tokos noted this would be added as an agenda item to the next meeting.

11. **Future Meeting Schedule.** Tokos reported that they were working on a resolution that called for the Work Group to provide recommendations to the City Council by September. He asked if the Work Group wanted to change the schedule to meet every other month to implement the changes. This would mean they would meet around April 20th, June 22nd, Aug 17th, and then have two meetings in September. This would allow the Work Group to gather their thoughts and give a recommendation to the City Council. The Work Group was in general agreement to make the change. Tokos noted he would send a poll to the Work Group to get the meeting dates set. He would try to pin down all five dates for the meetings.
12. **Public Comment.** Tokos opened up the meeting for public comments. Carla Perry asked if it was possible to add a question on the STR application to ask if their property was on a septic system in order to know if the house could handle the influx on their system for a STR. Perry also asked that there be a statement added to the application that said that the information the applicant was providing was correct and truthful so applicants knew their license could be revoked if the information wasn't truthful. She also pointed out that there typically was a sizeable fee on large credit card payments and asked the City to consider this when they decided if they would take credit card payments for room taxes. Perry asked if a violator could be made to pay for the cost of the city's legal expenses if the matter went to the circuit court. She felt this would make people hesitate to not take care of the citation before they went to circuit court.

Mona Linstromberg said she felt a disconnect to the implementation and fine changes. She wanted a resolution on how this was pursued. She hoped to see a resolution in the future but could see the rationale that had been used.


Tokos noted that a draft copy of this meeting's minutes would be provided to the City Council as part of their next meeting before the Work Group would have a chance to see them. He asked for their thoughts on sharing them with the Council. The Work Group was in general agreement to allow Tokos to share the draft minutes with the City Council.

13. **Adjournment.** The meeting adjourned at 11:54 a.m.

Respectfully submitted,

Sherry Marineau
Executive Assistant

Memorandum

To: Short-Term Rental Ordinance Implementation Work Group
From: Derrick I. Tokos, AICP, Community Development Director 
Date: June 4, 2020
Re: Revisions to NMC Chapter 4.25, Short-term Rental Business License Endorsements

Enclosed is a mark-up copy of Chapter 4.25, with amendments addressing two issues that the Work Group discussed at its last meeting. The first relates to signage requirements and the second addresses the 30-day rental requirement. Staff comments are provided with each revision, outlining the rationale for the amendments.

Short-term rental endorsements will soon enter a renewal period that will run from July 1, 2020 to August 15, 2020. It would be helpful if these changes could be put in place in time to inform that process (particularly with regards to the 30-day rental requirement). If the group is comfortable with these changes, then an ordinance can be prepared for City Council consideration at its June 15, 2020 meeting.

Chapter 4.25 is limited to licensing requirements and; therefore, the changes need only be approved by the City Council. This is distinct from the land use requirements in Chapter 14.25 that would have to go through a more involved process, including notice and hearings before the Planning Commission and City Council.

Attachments:

Mark-up copy of NMC Chapter 4.25 Revisions

(New language is shown in underline, and language to be deleted is shown in ~~strikethrough~~. Staff comments, shown in italics, are provided for context and are not a part of the proposed revisions.)

CHAPTER 4.25 SHORT-TERM RENTAL BUSINESS LICENSE ENDORSEMENTS

4.25.005 Purpose

A short-term rental business license endorsement is a permission to operate a short-term rental on property within the City of Newport. This chapter provides an administrative framework for licensing the annual operation of a short-term rental, in order to ensure the safety and convenience of renters, owners, and neighboring property owners; protect the character of residential neighborhoods; protect the City's supply of needed housing; and address potential negative effects such as excessive noise, overcrowding, illegal parking, and nuisances (e.g. accumulation of refuse, light pollution, etc.).

It is the intent of these regulations to strike a reasonable balance between the need to limit short-term rental options within neighborhoods to ensure compatibility, while also recognizing the benefits of short-term rentals in providing recreation and employment opportunities, as well as transitional housing for tourists, employees of businesses, and others who are in need of housing for a limited duration.

4.25.010 Definitions

The following definitions apply in this chapter.

- A. Authorized Agent. A property management company or other entity or person who has been designated by the owner to act on their behalf. An authorized agent may or may not be the designated point of contact for complaints.
- B. Bed and Breakfast Facility. A short-term rental where the operator resides on the premises and meals are provided for a fee.
- C. Bedroom. A habitable room that (a) is intended to be used primarily for sleeping purposes; (b) contains at least 70-square feet; and (c) is configured so as to take the need for a fire exit into account.

- D. Dwelling Unit. A single unit providing complete independent living facilities for one or more persons, including permanent provisions for living, sleeping, eating, cooking and sanitation.
- E. Home share. A short-term rental, other than a bed and breakfast facility, where a portion of a dwelling unit is rented while the homeowner is present. For the purposes of this definition, "present" means the homeowner is staying in the dwelling overnight for the duration of the rental.
- F. Owner. Means the natural person(s) or legal entity that owns and holds legal or equitable title to the property.
- G. Short-Term Rental. A dwelling unit, or portion thereof, that is rented to any person for a period of less than thirty (30) consecutive nights.
- H. Sale or Transfer. Means any change of ownership during the period of time that a license is valid, whether or not there is consideration, except:
1. A change of ownership in real property where title is transferred pursuant to a declaration of right of survivorship as recognized in ORS 93.180.
 2. A transfer of ownership in real property to a trust, a limited liability company, a corporation, a partnership, a limited partnership, a limited liability partnership, or other similar entity so long as the conveyance does not result in any new individuals possessing titled or equitable interest in the property.
 3. A transfer of ownership between titled interest holders.
 4. A transfer of ownership between, or to include spouses, domestic partners, or children.

Examples: The following scenarios serve as examples of some, but not all, of the types of transactions that will or will not constitute a sale or transfer as defined in this chapter:

- Title is held by a married couple or domestic partnership at the time the license is obtained. Partner

dies and survivor retains license? This would not constitute a sale or transfer (Exception H.1).

- An individual owns a parcel subject to a declaration of right-of-survivorship to their children at the time a license is obtained. The individual dies and title is transferred pursuant to that provision? This would not constitute a sale or transfer (Exception H.1).
- Married couple possesses title to property at time license is obtained. They later elect to convey property into an irrevocable trust and retain a life estate in the deed? This would not constitute a sale or transfer (Exception H.2).
- A corporation consisting of three shareholders owns a parcel at the time a license is obtained. They later convert the corporation to a limited liability company controlled by two of the original three shareholders? This would not constitute a sale or transfer (Exceptions H.2. and H.3).
- A limited liability company is formed with four individuals possessing ownership interest at the time a license is obtained. A fifth person later obtains an ownership interest in the company? This would constitute a sale or transfer.
- Four tenants in common own a parcel at time license is obtained. An owner sells their 1/4 interest to one of the other existing owners? This would not constitute a sale or transfer (Exception H.3.) Alternatively, what if they sell their 1/4 interest to a new person? That would constitute a sale or transfer.
- Title is held by a married couple at time license is obtained. They later acquire a home equity line of credit to repair the home, which lender secures with a deed of trust. Lender subsequently forecloses after a default under the term(s) of the security agreement? The instrument the lender uses to obtain possessory interest is a sale or transfer.
- Two married couples possess ownership interest in an LLC at the time a license is obtained. One of the couple's divorces and one of the partners drops off the title. Remaining partner remarries and the new spouse

is added to the LLC? This is not a sale or transfer (Exception H.4).

- Property is held by an individual at time license is obtained. The individual dies and children inherit property (no right of survivorship)? This would not constitute a sale or transfer (Exception H.4).
- An individual possesses title to the property at the time a license is obtained. He/she later adds their domestic partner to the title to the property? This would not constitute a sale or transfer (Exception H.4).

I. Vacation Rental. A short-term rental where the entire dwelling unit is rented.

4.25.015 Annual Short-Term Rental Business License Endorsement Required

No owner of property within the Newport city limits may advertise, offer, operate, rent or otherwise make available for occupancy or use a short-term rental without a business license with a short-term rental endorsement. Advertise or offer includes through any media, whether written, electronic, web-based, digital, mobile or otherwise.

4.25.020 Application Information and Filing Fee

A. Applications for short-term rental business license endorsements are to be on forms provided by the City, and shall include the following:

1. Owner Information. Owner's name, permanent residence address, telephone number, email address (if available) and short-term rental address and telephone number. In circumstances where the owner is a legal entity, a copy of the articles of organization or equivalent shall be provided identifying ownership interest holders in the short-term rental property.
2. Authorized Agent. The name, telephone number, mailing address and email of a property management company or other entity or person who has been designated by the owner to act on their behalf.

3. Representative Information. The name, telephone number, mailing address and email of a local representative who can be contacted concerning use of the property or complaints related to operation of the short-term rental. For the purposes of this requirement, local means the representative's address is within 30 minutes travel time of the subject property.
4. Liability Insurance. Letter of intent to insure (for new applications) or certificate of insurance (for renewals) establishing that the owner will have, or has, liability insurance which expressly covers the vacation rental operations on the subject property in the amount of \$1,000,000 combined single limit for bodily injury and property damage. Where letters of intent to insure are provided, certificate of insurance shall be submitted to the city prior to use of the unit as a short-term rental.
5. Land Use Authorization. A land use compatibility statement, signed by the Community Development Director or designee and that is current within 90-days, indicating that the short-term rental satisfies the land use standards for short-term rentals listed in NMC Chapter 14.25.
6. Occupancy. Occupancy limits and number of bedrooms (as specified in the Land Use Authorization).
7. Parking. Statement that required off-street parking spaces are available, with a photo(s), dated within the last 90 days, of interior and exterior parking spaces. A site plan including a parking diagram of the parking spaces shall also be provided.
8. Proof of Residential Use (for Home shares and Bed and Breakfast Facilities). At least two of the following items shall be submitted as evidence that the dwelling is the primary residence of the owner.
 - a. A copy of the voter registration
 - b. A copy of an Oregon Driver's License or Oregon Identification Card
 - c. A copy of federal income tax return from last tax year (page one only and financial data should be redacted)

9. Good Neighbor Guidelines. Written acknowledgement that a copy of the good neighbor guidelines has been reviewed and relayed to short-term rental tenants, by incorporating it into the rental contract, including it in the rental booklet, posting it online, providing it in a conspicuous place in the dwelling unit, or a similar method.
 10. Listing Number. For renewals, the listing numbers or website addresses of where the short-term rental advertises.
 11. Fire Safety. Completed checklist identifying that the unit complies with the fire safety standards listed in NMC 4.25.030(C)(5).
 12. Structural Safety. Completed checklist identifying that the unit complies with the Structural safety standards listed in NMC 4.25.030(C)(6).
 13. Waste Management. Proof of garbage service as required in NMC 4.25.030(D)(10).
 14. Other Requirements. Such other information as the City Manager or designee deems reasonably necessary to administer this chapter.
- B. Incomplete Application. If a license application does not include all required materials, the application will be considered incomplete and the City will notify the applicant, in writing, explaining the information required. If the applicant provides the missing required information within 30 calendar days of the date of the notice, the application will be reviewed. If the applicant does not provide the required information, the application will be deemed withdrawn and the City will refund the application fee.
- C. License Fee. The fee for the application of a short-term rental business license endorsement, and any of its components requiring city action, shall be established by resolution of the City Council.

4.25.025 **Term of Annual Business License Endorsement and Transferability**

- A. Term. A short-term rental business license endorsement shall be issued for a period of 12-months, effective July 1st

of each year, and may be renewed annually by the owner provided all applicable standards of this chapter are met.

- B. Transferability. The business license endorsement shall be issued in the name of the owner(s) and is not transferable.

4.25.030 Business License Endorsement and Endorsement Renewal

- A. Endorsement Must Be Obtained: An endorsement to a business license for a short-term rental shall be obtained and renewed as required in this section. The ability to operate a short-term rental in the City of Newport shall be discontinued for failure to obtain or renew an endorsement to operate as provided in this chapter.

- B. Application and Renewal Application Process: A person engaging in a short-term rental who has not yet obtained a business license endorsement, or who is required to renew an existing endorsement, shall do so as follows:

1. Time of Application.

- a. Existing Non-Conforming Short-Term Rentals. A business license endorsement renewal application completed in accordance with the provisions of NMC 4.25.020, is due on July 1st, 2019 and annually every year thereafter.

- b. New Short-Term Rentals. A business license endorsement for a short-term rental shall be obtained before beginning operations. Endorsement applications, completed in accordance with the provisions of NMC 4.25.020, may be submitted and issued at any time. The endorsement may be renewed annually thereafter on July 1st of each year.

2. Notice. On or about July 1st of each year, the City shall send notice to owners of property with short-term rental endorsements informing them that the endorsement must be renewed no later than August 15th of each year and that failure to do so will result in expiration of the endorsement. Notice shall be sent by first-class mail to the address the owner provided with the endorsement on file with the City.

3. Expiration of Endorsement. Failure of an owner to renew an endorsement by August 15th shall result in expiration of the endorsement, and the ability of the owner to operate shall be conclusively presumed to be discontinued with no further action by the City.

C. Approval Standards.

The owner or authorized agent has the burden of proof to demonstrate compliance with standards for the approval or renewal of an endorsement. The approval standards also serve as continuing code compliance obligations of the owner. To receive approval, an owner or authorized agent must demonstrate that the approval standards listed below have been satisfied:

1. Zoning. The property is in compliance with requirements of NMC Chapter 14.25.
2. Contact Information. The owner or authorized agent has provided information sufficient to verify a qualified person will be available to be contacted about use of the short-term rental during and after business hours. The qualified person shall be available to be contacted by telephone to ensure a response to the short-term rental address at all hours (24 hours a day, seven days a week) while the dwelling unit is occupied for rent. The qualified person must be able to reach the premises within 30 minutes. The individual identified as the "qualified person" may be changed from time to time throughout the term of a license. To do so, the license information shall be revised with the city at least 14-days prior to the date the change takes effect, except when the failure to do so is beyond the owner or authorized agent's control. In an emergency or absence, contact forwarding information to a qualified person should be provided by the owner or authorized agent. In the case of home shares, the contact person shall be the permanent resident who will be hosting the transient accommodations.
3. Notice to Neighbors. The owner or authorized agent of a vacation rental shall post a non-illuminated sign on the premises, between 1 and 2 square feet in size, containing the owner and/or representatives contact information. Such sign shall be placed in a location clearly visible, and legible, from the-an adjacent street.

In the event the City establishes a 24/7 hotline for dispatching calls to operators of short-term rentals, then the contact information contained on the placard or sign shall be that of the firm providing the dispatch service. For vacation rentals in condominiums, the number and placement of signs shall be as specified by the City.

Staff: The STR Work Group discussed exempting B&Bs and home shares from the sign posting requirement since a permanent resident resides on the premises. With this revision, the sign posting requirement is specific to vacation rentals. Testimony was received from the public that signs, while visible, are not always legible, so that language change is being made as well. Lastly, the code is being revised to allow the City to determine the number and location of signs required for condominium projects, since the premises are not always visible from streets and a requirement of one sign per unit can be excessive.

4. Electronic Availability. The City will make a database electronically accessible within which any person can enter in an address of a short-term rental and obtain the owner, authorized agent, and/or representative's name, telephone number, and email address.
5. Fire and Emergency Safety. A completed checklist for fire safety (fire extinguishers, smoke alarms, carbon monoxide detectors, unobstructed exits, etc.) shall be required with each new endorsement and renewal. The owner or authorized agent shall be responsible for completing the fire safety checklist and ensuring continued compliance. Verification by the City of Newport Fire Marshall shall be required prior to issuance of a new endorsement and may be required for renewals at the City Manager's discretion.
6. Structural Safety. A completed checklist, signed by the City of Newport Building Official, indicating that the short-term rental has been inspected and complies with the building safety standards listed below. Such checklist shall be completed prior to issuance of a new endorsement and may be required for renewals at the City Manager's discretion.

- a. Bedrooms shall have an operable emergency escape window or exterior door with a minimum opening size of 5.7 sq. ft. (5.0 sq. ft. at grade floor), with minimum net clear dimensions of 20-inches in width and 24-inches in height and having a sill height not more than 44-inches above the finished floor.
- b. All stairs with 4 or more risers shall have a handrail on at least one side. Handrails shall be secure, continuous, and have returns at each end.
- c. The open sides of stairs, decks, porches or other walking surfaces more than 30-inches above grade or the floor below shall have guardrails configured such that a 4-inch sphere cannot pass through.
- d. Windows within a 24-inch arc of doors and glass within bathtub or shower enclosures shall be safety glazed, or have an equivalent means of protection.
- e. Wood frame decks shall be structurally sound. In cases where a deck supports a hot tub or other features of a similar size and weight, engineering analysis of the supports may be required.
- f. Electrical plug-ins and light switches shall have faceplates.
- g. Electrical breaker boxes shall have all circuits labeled, and empty breaker spaces must be plugged.
- h. GFCI (Ground Fault Circuit Interrupter) protection shall be provided for exterior outlets, kitchens, garages, laundry areas, and bathroom receptacles.
- i. Functioning smoke detectors shall be installed in all bedrooms and outside each bedroom in hallways or other rooms providing access to bedrooms, and on each story including basements. Such alarms shall be installed in compliance with State Fire Marshal Rules and any applicable requirements of the State Building Code, and there shall be available in the premises a written notice containing instructions for testing the alarms.

- j. Functioning carbon monoxide alarms shall be installed if the unit (a) contains a heater, fireplace, appliance or cooking source that uses coal, kerosene, petroleum products, wood or other fuels that emit carbon monoxide as a by-product of combustion; or (b) includes an attached garage with an opening that communicates directly with a living space. Such alarms shall be installed in compliance with State Fire Marshal Rules and any applicable requirements of the State Building Code, and there shall be available in the premises a written notice containing instructions for testing the alarms.
 - k. Water heaters shall be strapped and secured in accordance with seismic protections standards, with a TEP (Temperature and Pressure Relief) line that is run to an approved location.
 - l. A 2A10BC fire extinguisher shall be provided on each floor.
 - m. Address numbers shall be posted and visible from the street.
 - n. Any violation of applicable codes that the Building Official determines to be hazardous shall be corrected prior to use of the dwelling as a vacation rental.
7. Proof of Use. For vacation rental renewals, room tax remittance records must show that the unit has been rented at least 30 days within the 12 month fiscal year. The City Manager may reduce the required number of rental days, or set aside this provision entirely, in circumstances when a short-term rental, or group of rentals, cannot be rented for reasons beyond the control of the short-term rental owner.

Staff: At the last meeting, there was consensus amongst the STR Work Group that flexibility is needed for circumstances where short-term rentals cannot be rented for reasons beyond the control of the owner. An example is the ongoing rehabilitation of the Nye Sands Condominiums in Nye Beach, where the units have been unavailable for several months. Government issued COVID-19 curtailment orders would also qualify as a circumstance beyond the control of an owner.

8. Room Tax Compliance. The unit shall be in compliance with room tax requirements of Chapter 3.05 of the Newport Municipal Code.
9. Violations. A short-term rental business license endorsement that is revoked shall not be renewed. An owner whose endorsement has been revoked shall not be eligible to reapply for a new endorsement for a period of two years.

D. Ongoing Operational Requirements

1. Complaints. The owner or representative shall respond to neighborhood complaints within one hour and shall maintain a written record of complaints, the dates they were received, and efforts taken to resolve issues that have been raised. The written record shall be provided to the City upon request.
2. Guest Registry. Owner or designee shall maintain a guest and vehicle register for each tenancy. The register shall include the name, home address, and phone number of the primary tenant; the total number of occupants; vehicle license plate numbers of all vehicles used by the tenants, and the date of the rental period. This information shall be provided to emergency responders, and city finance and code compliance personnel when requested for enforcement or audit purposes. Guest registry information is to be treated as confidential to the extent allowed by law.
3. Mandatory Postings. The short-term rental business license endorsement issued by the City shall be displayed in a prominent location within the interior of the dwelling adjacent to the front door. The endorsement will contain the following information:
 - a. A number or other identifying mark unique to the short-term rental endorsement which indicates that it was issued by the City of Newport, with date of expiration.
 - b. The name of the owner and authorized agent and a telephone number where the owner and authorized agent may be contacted.

- c. The property address.
 - d. The number of approved parking spaces.
 - e. The maximum occupancy permitted for the short-term rental.
 - f. Any required information or conditions specific to the operating license.
 - g. The City of Newport official logo.
4. Emergency Information. Owner or designee shall provide information within the dwelling unit to inform and assist renters in the event of a natural disaster, power outage, or other emergency. Required information includes, but is not limited to:
 - a. A tsunami evacuation map produced by Lincoln County Emergency Services, Oregon Department of Geology and Mineral Industries or other agency with similar authority.
 - b. Phone numbers and addresses for emergency responders and utility providers.
 - c. Other information as established by resolution of the City Council.
 5. Noise. Noise levels shall conform to the requirements of Chapter 8.15 of the Newport Municipal Code.
 6. Nuisance. The short-term rental shall not be used in a manner that creates a public nuisance as defined in Chapter 8.10 of the Newport Municipal Code.
 7. Required Parking. Off-street parking spaces approved for short-term rental use shall be available and are to be used by tenants at all times that the unit is rented. A parking diagram illustrating the location of the approved parking spaces shall be provided to tenants and be available in a prominent location within the short-term rental dwelling.
 8. Occupancy. Maximum occupancy shall be limited to that which is specified in the Land Use Authorization.

9. Landscaping. Where the Land Use Authorization indicates landscaping is such landscaping shall be maintained. Changes may be made to the type and location of required landscaping as long as 50% of the front yard, and 40% of the total lot area remains landscaped.
10. Solid Waste Management. Weekly solid waste disposal service shall be provided while the dwelling is occupied as a short-term rental. The owner or authorized agent shall provide for regular garbage removal from the premises, and trash receptacles shall be stored or screened out of plain view of the street. City may require that an owner or authorized agent utilize solid waste collection valet service in circumstances where there have been verified complaints that a short-term rental is not adhering to these requirements. For the purpose of this section, valet service means the collection driver retrieves the cart from where it is stored, rolls it out for service, and then places it back in its original location.
11. Liability Insurance. Liability insurance is required that expressly covers vacation rental operations on the subject property in the amount of \$1,000,000 combined single limit for bodily injury and property damage.
12. Group Events. Company retreats, weddings, rehearsal dinners, family reunions and similar gatherings are permitted on the premises of a short-term rental during periods of transient use provided the total number of individuals does not exceed occupancy limits at any time during the rental period.

4.25.035 Inspections

Dwelling units for which a short-term rental business license endorsement is being sought, or has been obtained, shall be subject to initial inspection, and periodic re-inspection, by the City to ensure compliance with the provisions of this chapter. The timeframe for such inspections is subject to the City's discretion and available resources.

4.25.040 Appeals

A decision on a new short-term rental business license endorsement application, renewal of an endorsement, or the revocation of an endorsement may be appealed as provided in NMC 4.05.075.

4.25.045 Violations

Penalties, as specified in section 4.25.050, shall be imposed for one or more of the following violations:

- A. Advertising; renting; using; or offering for use, occupancy or rent; a short-term rental where the owner does not hold a valid endorsement issued pursuant to this section.
- B. Advertising; renting; using; or offering for use, occupancy or rent; a short-term rental in a manner that does not comply with the endorsement requirements of NMC Chapter 4.25.
- C. Failure to comply with the endorsement standards and operational requirements of NMC Chapter 4.25.
- D. Failure by the owner to pay the transient room tax required by NMC Chapter 3.05.
- E. Failure of the owner or owner's representative to respond to tenant, citizen or City complaints or inquiries. "Failure to respond" occurs if City staff is unable to reach the owner or designated representative after three attempts within a 48-hour period, using the information that the owner or designee has on file with the City.

4.25.050 Penalties

Penalties for a violation of subsection 4.25.045(A) shall be a civil infraction to be enforced pursuant to the provisions listed in NMC Chapter 2.15. Where the owner possesses a valid short-term rental endorsement, the penalties for violations of subsections 4.25.045(B-E) shall be as follows:

- A. For the first violation within a 12-month period, City shall issue a written warning to owner.
- B. For the second violation within a 12-month period, City shall suspend owner's short-term rental endorsement for 30 days.

- C. For the third violation within a 12-month period: 1) City shall revoke owner's short-term rental endorsement; and 2) where an endorsement includes a Conditional Use Permit, city shall also initiate the revocation procedure as outlined under section 14.52.150.

Memorandum

To: Short-Term Rental Ordinance Implementation Work Group

From: Derrick I. Tokos, AICP, Community Development Director 

Date: June 4, 2020

Re: Enforcement Update

Enclosed is an email from Community Service Officer, Jim Folmar, listing the status of incidents reported since the last Work Group meeting via the 24/7 hotline or online form. Chief Malloy will be attending the meeting to answer questions you may have related to enforcement activities undertaken by the City.

Attachments:

Email from CSO Folmar, dated February 21, 2020
Chart summarizing the STR Enforcement process

Derrick Tokos

From: Jim Folmar
Sent: Thursday, June 04, 2020 11:30 AM
To: Jason Malloy; Derrick Tokos
Subject: LodgingRev's Complaint Checklist 2- updated
Attachments: LodgingRev's Complaint Checklist 2-Redacted.xlsx

Here's the list with the requested changes.

Jim

LodgingRevs Complaint Checklist

Date and Time	Property Address	Type	Method	Complainant	Reponse Date/Time	Status
02/29/20 @ 1035	416 NW 58th	III. Rental	Online		03/03/20 @ 1505	Closed
03/11/20 @ 1422	1330 NW Spring	III. Rental	Online		03/11/20 @ 1545	Closed
03/13/20 @ 1152	626 NW 54th	III. Rental	Online		03/13/20 @ 1211	Closed
03/18/20 @ 1036	544 NW 15th	III. Rental	Online		03/18/20 @ 1101	Closed
03/18/20 @ 1042	544 NW 15th	III. Rental	Online		03/18/20 @ 1104	Closed
03/26/20 @ 1646	1245 NW Spring	III. Rental	Online		03/27/20 @ 807	Closed
03/29/20 @ 1415	105 NW 77th Ct.	III. Rental	Online		03/30/20 @ 1623	Closed
03/29/20 @ 1913	1330 NW Spring	III. Rental	Online		03/30/20 @ 1637	Under Review
03/31/20 @ 1048	1330 NW Spring	III. Rental	Online		03/31/20 @ 1443	Under Review
03/31/20 @ 1202	1245 NW Spring	III. Rental	Online		03/31/20 @ 1445	Under Review
04/06/20 @ 1134	1330 NW Spring	III. Rental	Online		04/07/20 @ 1032	No Violation
05/02/20 @ 1438	5608 NW Meander	III. Rental	Online		05/05/20 @ 0922	Closed
05/16/20 @ 1824	242 SW 27th	III. Rental	Hotline		05/19/20 @ 1200	Closed
05/25/20 @ 1042	1330 NW Spring	III. Rental	Online		05/27/20 @ 1335	Under Review
02/29/20 @ 1038	5053 NW Agate Way	Occup.	Online		03/02/20 @ 1044	Closed
03/25/20 @ 1303	555 NW 56th	Occup.	Hotline		03/25/20 @ 1436	Closed
03/28/20 @ 0930	171 NW 73rd Ct.	Occup.	Hotline		03/30/20 @ 1427	Closed
04/21/20 @ 1600	543 SW 5th	Occup.	Hotline		04/22/20 @ 1019	Closed
04/21/20 @ 1942	645 SE 4th	Occup.	Hotline		04/22/20 @ 0827	Closed
05/19/20 @ 0733	10 NW 42nd	Occup.	Online		05/11/20 @ 0930	Closed
03/13/20 @ 1806	13 NW High	Other	Hotline		03/16/20 @ 0712	Closed
04/23/20 @ 0922	5518 N. Coast Hwy	Other	Hotline		04/23/20 @ 1508	Closed
05/03/20 @ 1430	1235 NW Spring	Other	Online		05/05/20 @ 0931	Closed
05/25/20 @ 2134	526 N. Coast St Unit G	Other	Online		05/27/20 @ 1053	Under Review
05/30/20 @ 1653	13 NW High	Other	Hotline		06/01/20 @ 1025	Closed
06/01/20 @ 1753	416 NW 58th	Other	Online		06/02/20 @ 0958	Closed
06/02/20 @ 1746	424 NW 58th	Other	Hotline		06/03/20 @ 0732	Closed
06/03/20 @ 0530	814 SW Bay St.	Other	Hotline		06/03/20 @ 1358	Open
05/23/20 @ 1528	1130 NW Hurbert	Parking	Hotline		05/26/20 @ 1512	Closed
05/24/20 @ 1958	543 SW 5th	Parking	Hotline		05/26/20 @ 1535	Closed
05/25/20 @ 1159	171 NW 73rd Ct.	Parking	Online		05/27/20 @ 1054	No Violation
05/29/20 @ 1059	416 NW 58th	Parking	Online		06/02/20 @ 1236	Closed
04/08/20 @ 1326	171 NW 73rd Ct.	Trash	Online		04/08/20 @ 1454	Closed
04/27/20 @ 1717	546 NW 55th	Trash	Hotline		04/28/20 @ 1258	Closed

Memorandum

To: Short-Term Rental Ordinance Implementation Work Group

From: Derrick I. Tokos, AICP, Community Development Director 

Date: June 4, 2020

Re: Licensed Short-Term Rentals with Operations Plans

Enclosed is a list of transient lodging establishments, including short-term rentals, that filed operations plans with the City of Newport in response to Emergency Order No. 2020-17. That order reopened short-term lodging effective May 23, 2020, provided precautions are taken to reduce the risk of COVID-19 exposure. Licensed short-term rentals that have not submitted operations plans are limited to rentals on a month-to-month basis, or longer.

The list and emergency order are posted on the City of Newport website with other COVID-19 related informational materials. Transient lodging establishments are operating under the Phase 1 health and safety limitations listed in the emergency order. The limitations will become more lenient under Phases 2 and 3; however, it is unclear as to when exactly those future phases will trigger.

Attachments:

City of Newport Emergency Order No. 2020-17

List of transient lodging establishments that filed operations plans

**CITY OF NEWPORT
EMERGENCY ORDER NO. 2020-17**

**PROVIDING FOR REOPENING
OF SHORT-TERM RENTALS
IN THE CITY OF NEWPORT**

WHEREAS, the Governor of the State of Oregon declared a state of emergency for the state on March 8, 2020, finding that COVID-19 created a threat to the public health and safety and constituted a statewide emergency; and

WHEREAS, the City of Newport declared an emergency on March 13, 2020, which was ratified by the City Council at its March 16, 2020 meeting; and

WHEREAS, the President of the United States signed a proclamation declaring a national emergency concerning COVID-19 on March 13, 2020; and

WHEREAS, local, state, and national public health agencies have instituted guidelines, recommendations, and actions to curb the spread of the disease in an attempt to "flatten the curve" of the disease's progression in the United States. Many of those recommendations have been adopted by states and local governments across the country. In Oregon, the Governor has issued Executive Orders 20-03 through 20-20, and 20-22, 20-24, and 20-25 to address COVID-19 closures and reopening of certain facilities, limiting public gatherings, higher education restrictions, and other requirements; and

WHEREAS, the Governor has directed Oregonians to "stay at home to stay healthy" through physical and social distancing guidelines and the elimination of non-essential travel; and

WHEREAS, on March 23, 2020, the City of Newport concurred with Lincoln County Order No. 3-23-85, which closed short-term rentals in the city for stays of less than 30 days, and the subsequent concurrence with Lincoln County Order No. 4-20-118 extending the closure of short-term rentals; and

WHEREAS, the closures were based on health evidence as provided by the Lincoln County Public Health Administrator and Local Health Officer, as outlined in Lincoln County Order No. 3-23-85; and

WHEREAS, in a joint meeting with all cities in Lincoln County, and the Lincoln County Commission, the City of Newport agreed to reopen transient lodging on May 23, 2020, based on the provisions included in Attachment A to this order.

I, Spencer R. Nebel, City Manager of the City of Newport, hereby order:

The reopening of short-term lodging on May 23, 2020, subject to the provisions in Attachment A.



Spencer R. Nebel, City Manager

Dated: May 18, 2020

ATTACHMENT A

TO CITY OF NEWPORT EMERGENCY ORDER NO. 2020-17

Provisions for the reopening of short-term rentals in the City of Newport, Oregon, which may begin on May 23, 2020, include:

Hotels Motels

- Remote check in if available
- Alternative: curbside check in with conditions below
- Touch free check-in instituted
- Barrier in place at check in - i.e. Plexiglas
- Hand sanitizer in lobby
- Owner/Employee wellness checks
 - Health questions and Temp checks - start of each day
- Breakfast
 - Grab and go / sealed items / room service
 - No public space consumption

STRS/VRDs

- Remote check in

RV PARKS / CAMPGROUNDS

- Remote check in or alternative as described above for Hotels/Motels

SIGNAGE

Hotels Motels

- Covid health sign at entrances and check in. Sign templates to be provided.
- Public spaces closed (more detailed designation - - no public in pools, spas, gyms, lounges or seating areas) all cordoned off and signed appropriately)

STRS/VRDs, Homeshares and Bed and Breakfasts

- Covid health signage posted on front entrance. Sign templates to be provided.

RESTRICTIONS

Hotels Motels

- Owners/Employees required to wear face covering when in public areas when in presence of guests
- Guests encouraged to wear face covering in public places while in town per State of Oregon's guidance (Template language to be provided)
 - Communicated prior to arrival - electronically and via phone
- No stayover guest room service (daily room cleaning for multiple day stays)
- Pools, spas, gyms and any other recreational amenities stay closed unless otherwise authorized by the state
- A minimum 24 hours hold be maintained between check out and the time the room is cleaned and put out for rental again
- Staff must be able to maintain social distance from each other in work stations and meet all other business guidelines as set by the state or local health authority

STRs/VRDs, Homeshares and Bed and Breakfasts

- Owners/Employees required to wear face covering at all times when in presence of guests
- Guests required to wear a face covering when in shared spaces in Homeshares and Bed and Breakfasts—and encouraged to wear while in public via State of Oregon guidance
 - Communicated prior to arrival - electronically and via phone
- A minimum 24 hours hold be maintained between check out and the time the room is cleaned and put out for rental again
- Bed and Breakfasts and Homestays, no communal meals.

HOUSEKEEPING MINIMUMS FOR BOTH STRS/VRDS AND HOTELS

- Use of CDC/EPA approved disinfectant
 - Sanitizing all high touch items in guest rooms
 - Door handles, elevator buttons...
 - Gloves for housekeepers
- Linen washed with approved disinfectant chemicals at correct temperatures
- Removal of paper products
 - Any required items are laminated and cleaned or replaced
- Hair dryers removed from bag
 - Dryer cleaned at each checkout
- All unused linen and terry are removed and exchanged

Required clean up if Guest is suspected of having COVID 19 (positive, presumptive or symptomatic) for all lodging properties and types

- Clean room in accordance with OHA guidelines. Current guidelines shown in link below:
<https://sharedsystems.dhsoha.state.or.us/DHSForms/Served/le2288y.pdf>

RV Parks and Campgrounds

- **RV parks and Campgrounds**
 - all group and public areas closed
 - camping allowed except no group tent camping in this phase
 - restrooms cleaned in accordance with state guidance; patrons bring own soap, hand sanitizer and toilet paper
 - check in and check out contact free
- **Employees required to wear face covering at all times when in public areas when guests are present**
- **Guests encouraged to wear face coverings while in town per State of Oregon's guidance (Template language to be provided)**
 - Communicated prior to arrival

PHASE 2

- **Leisure travel resumes based on Phase 2 requirements - unless this changes**
- **Limitations on number of nights and occupancy lifted but cleaning practices remain except 24 hour minimum between cleaning**
- **Limitations on grouping (up to 50 persons and conferences)**
 - Pools, spas other amenities open with appropriate restrictions

PHASE 3

- **Limitations lifted except for state law requirements including but not limited to group size limitations (may apply to conferences, meetings, events, etc.)**

Prior to reopening, each establishment shall submit a plan detailing how they will meet the minimum requirements established in this Order. The plans are to be sent to the City of Newport via email at s.marineau@newportoregon.gov, with "Operations Plan" in the subject line. Failure to adhere to the plan shall be grounds for revocation of permission to open and may subject owner/operator to other remedies available under state and local law.

**City of Newport Emergency Order No. 2020-17
Operation Plan Submittals as of June 2, 2020**

Hotels / Motels / Time Shares / RV Parks
Agate Beach Motel
Anchor Pier Lodge
Best Western Agate Beach
Comfort Inn
Days Inn
Econo Lodge
Elizabeth Street Inn
Embarcadero Resort
Hallmark Resort
Holiday Inn Express Hotel & Suites
Inn at Nye Beach
La Quinta Inns & Suites
Little Creek Cove
Money Saver Hotel
Motel 6
Pacific Shores Motorcoach Resort
Port of Newport RV Park
Seascape Condominiums
Shilo Inns
Smuggler's Cove
Starfish Point
Summer Wind Budget Motel
The Landing at Newport
The Whaler Motel
Travelodge
Waves Motel

Vacation Rentals / Home Shares / Bed & Breakfasts
10 NW 42nd St
1000 SE Bay Blvd #117 (D-4)
1000 SE Bay Blvd #146 (G-8)
1000 SE Bay Blvd #225 (E-10)
1000 SE Bay Blvd #405 (B-4)
1000 SE Bay Blvd #532/632 (K-9)
1000 SE Bay Blvd #G-245/345 (G-19)
105 N Coast St
107 SW Coast St
109 NW Cliff St Unit 6
109 NW Cliff St, Unit 7
109 NW Cliff St, Unit 8
11 NW 42nd St (Unit A - upper)
11 NW 42nd St (Unit B - lower)

1125 NW Spring St #A-103
1125 NW Spring St #C101
1125 NW Spring St #C201
1125 NW Spring St C-2 (c102)
1125 NW Spring St Unit A 203 (A-6)
1125 NW Spring St Unit A-201
1125 SW Spring St #C303 (C-9)
1126 SW 8th St
1130 NW Hurbert St
1130 SW Martin St
1140 NW Hurbert St
1144 SW Mark St
1156 SW Mark St
1235 NW Spring St
124 NW 54th St
1245 NW Spring St
125 NW 77th Ct, Unit A
128 NW 73rd Ct
129 SW Dolphin St Unit 129
129 SW Dolphin St Unit 133
129 SW Dolphin St Unit 137
129 SW Dolphin St Unit 139
1332 NW Thompson St
134 SW Elizabeth St
135 NW 77th Ct
137 SW 12th St
140 NW 77th Ct
144 SW 26th St #1
144 SW Elizabeth St
1452 NW Spring St
1522 NW Spring St
1535 F NW Hurbert St
1610 NW Spring St
171 NW 73rd Ct
185 NW 70th St
2126 SE Marine Science Dr
224 NE 55th St
232 SW 27th St
238 SW 27th St
242 SW 27th St
252 SW 27th St
2545 NW Pacific St
2612 SW Brant St
2616 SW Brant St
2622 SW Brant St
2725 NW Pacific Pl
2755 NW Pacific Pl

28 SW Brook St #B
28 SW Brook St #C
28 SW Brook St #D
28 SW Brook St #E
28 SW Brook St #F
28 SW Brook St #G
325 NW Coast St, Unit E
33 SW Elizabeth St
3360 NW Oceanview Dr Unit A
35 SW Hurbert St
3749 NW Oceanview Dr
375 NE 70th Dr
39 SW Elizabeth St
4 SW High St
406 NW High St
407 NW High St
413 NW Hurbert St
419 NW Hurbert St
420 NW High St
423 SW Elizabeth St
424 NW 59th St
424 SE 4th St
435 NW 58th St
449 SE Scenic Loop
457 NW 56th St
457 NW 57th St
4718 NW Cherokee Ln
4920 NW Woody Way
4925 NW Woody Way
502 SW 7th St
5053 NW Agate Way
507 NW Alpine St, Unit 103
507 NW Alpine St, Unit 108
507 NW Alpine St, Unit 203
507 NW Alpine St, Unit 207
507 NW Alpine St, Unit 208
510 SW Minnie St
511 SW 3rd St
520 NW 23rd St
526 NW Coast St, Unit E
526 NW Coast St, Unit G
537 NW Alpine St
543 SW 5th St
545 SE 4th St
546 SW Smith Ct
553 SW 5th St
554 SE 2nd St

555 NW 56th St
556 NW 56th St
582 NW 3rd St
589 W Olive St
607 SW Woods St
610 NW 9th St
626 NW 54th Ct
630 SW Fall St, Unit N
640 NW 54th Ct
645 SE 4th St
688 NE 20th Pl
701 NW Coast St #107
701 NW Coast St #108
701 NW Coast St #109
701 NW Coast St #201
701 NW Coast St #209
701 NW Coast St #303
701 NW Coast St #305
701 NW Coast St #306
701 NW Coast St #310
701 NW Coast St, Unit 207
7055 NE Avery St
709 NW High St
715 NW 3rd St
728 SE 5th St
731 NW 2nd Ct
736 NW 3rd St
745 NW Beach Dr
745 NW Lee St
748 NW Lee St
750 NW 2nd St
757 NW Coast St #5
757 NW Coast St #6
757 NW Coast St #7
801 NW Coast St, #1
814 SW Bay St
821 SW 12th St
859 SW Bay Blvd
890 SE Bay Blvd #205
903 SW Coast Hwy
905 SW Coast Hwy
912 NW Coast St
914 SW 2nd St
927 SW 11th St
946 NW High St
955 NW Spring St
955 NW Spring St

Memorandum

To: Short-Term Rental Ordinance Implementation Work Group

From: Derrick I. Tokos, AICP, Community Development Director 

Date: June 4, 2020

Re: Impact of COVID-19 on STR Work Group's Mandate

This agenda item has been scheduled to provide the group an opportunity to discuss whether it wants to recommend the City Council revise Resolution No 3857 considering the impact that COVID-19 has had on the tourist-oriented segment of Newport's economy.

The resolution calls for the work group to provide a final report to the City Council, summarizing its observations related to the effectiveness of Ordinance No. 2144, by the end of September 2020. That date was established with the expectation that the group would be able to observe implementation of the ordinance through a typical summer season. The pandemic has significantly impacted transient lodging, and the upcoming summer season, by any measure, will be atypical. The work group may want to recommend that it be empaneled an additional 12-months, so that it can observe implementation of the STR licensing program when it is operating at a more typical level of rental activity.

Attachments:

Resolution No. 3857

**CITY OF NEWPORT
RESOLUTION NO. 3857**

**RESOLUTION ESTABLISHING
A SHORT-TERM RENTAL ORDINANCE
IMPLEMENTATION WORK GROUP**

WHEREAS, City of Newport adopted Ordinance No. 2144, effective May 6, 2019, relating to the regulation of short-term rentals within the city limits; and

WHEREAS, Ordinance No. 2144 puts in place a new administrative framework for licensing short-term rentals, establishes siting and safety standards, and imposes limitations on the total number and location where vacation rental dwellings are permitted; and

WHEREAS, Effective implementation of Ordinance No. 2144 will require close coordination between the City's Finance, Community Development, Police and Fire Departments to ensure the new requirements are followed and enforced; and

WHEREAS, City is further working to secure the services of a third party vendor to supplement its short-term rental enforcement resources and that vendor's activities will need to be integrated into City's short-term rental program; and

WHEREAS, Considering complexities inherent to this new regulatory program, and community interest in its successful implementation, it is both appropriate and necessary to establish a work group to evaluate the program for a period of time to determine if desired policy objectives are being achieved.

THE CITY OF NEWPORT RESOLVES AS FOLLOWS:

Section 1. Short-Term Rental Ordinance Implementation Work Group Established. There is hereby established a Short-Term Rental Ordinance Implementation Work Group. Members shall be appointed by the Mayor and confirmed by the City Council. The Work Group shall be comprised of:

- A. Two members of the Newport City Council; and
- B. One member of the Planning Commission; and
- C. The City Manager of the City of Newport; and
- D. One representative of the short-term rental industry; and
- E. Two citizens at-large.

Section 2. Work Group Responsibilities. The Short-Term Rental Ordinance Implementation Work Group shall have the following powers, duties, and functions:

- A. Collect and evaluate information related to implementation of Ordinance No. 2144, including administrative steps taken by the City to carry out the provisions of the ordinance, legal decisions that may influence implementation, reports on permits issued, status of the waitlist, resolution of complaints, and enforcement actions undertaken by the City; and

- B. Provide recommendations to city administration on how implementation of the ordinance, as written, could be improved; and
- C. Prepare and present reports to the Planning Commission and City Council summarizing the group's observations related to the effectiveness of Ordinance No. 2144 in achieving policy objectives. Status reports shall be provided on a quarterly basis, with a final report of the Work Group's findings being issued by the end of September 2020. The final report may include recommendations for administrative changes or revisions to the ordinance that the Work Group believes are necessary to better achieve policy objectives.

Section 3. Administrative Support. The Community Development Department shall perform administrative functions for the Short-Term Rental Ordinance Implementation Work Group, with assistance from the City Attorney, Finance, Fire, and Police Departments on an as needed basis.

Section 4. Meeting Schedule and Duration. The Short-Term Rental Work Group shall conduct its first meeting no later than September 30, 2019 and shall meet on at least a quarterly basis thereafter for the period of time the work group is empaneled. The Work Group shall complete its work by December 31, 2020.

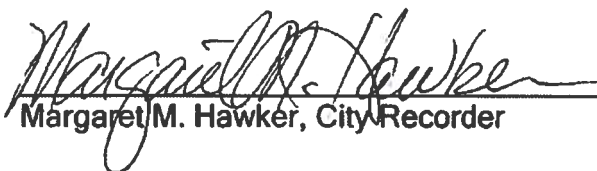
Section 5. Effective Date. This resolution shall be effective immediately upon passage.

Adopted by the City Council of the City of Newport on June 3, 2019.




Dean H. Sawyer, Mayor

ATTEST:



Margaret M. Hawker, City Recorder

Memorandum

To: Short-Term Rental Ordinance Implementation Work Group
From: Derrick I. Tokos, AICP, Community Development Director 
Date: June 4, 2020
Re: Correspondence from Advocates for Safe & Healthy VRD-free Neighborhoods in Newport

Attached is an email from Carla Perry and enclosed bullet list of concerns and suggestions for the Work Group's consideration. Staff has not prepared a response, but would be happy to do prior to the next scheduled meeting. The Work Group might want to take this time to discuss if it would like clarification or additional information related to any of the listed items.

Staff will reach out to Carla to see if she would like to address the Work Group on this agenda item. If that is the case, then she would have the option of doing so by phone. It is possible that the next work group meeting will occur after COVID-19 related public meeting limitations are lifted, in which case advocates for these changes would be able to participate in a more robust manner. This is a factor that the Group should keep in mind.

Attachments:

Email from Carla Perry, dated 4/22/20, with attached bullet list

Derrick Tokos

From: carla perry <perry.carla@gmail.com>
Sent: Wednesday, April 22, 2020 12:27 PM
To: Derrick Tokos; Spencer Nebel
Subject: STR Ordinance Implementation Work Group - additional points for consideration
Attachments: Bullet list #2 for STR Ordinance Work Group Meeting.docx

To: Derrick Tokos
 From: Advocates for Safe & Healthy VRD-free Neighborhoods in Newport
 Date: April 22, 2020

Derrick,

I realize that during this COVID-19 Emergency, most City committee meetings have been postponed and the ones taking place are occurring through online meeting platforms and live streaming. The City advised residents that Public Comment for all meetings will be taken via email received prior to each meeting and included in the Agenda packets for distribution to the City Council and/or relevant committee members.

In February 2020, the City Manager and City Council clarified that the public's suggestions and concerns about short-term rentals and their oversight need to be funneled through you to reach the **Short-term Rental Ordinance Implementation Work Group members**. So that is the purpose of this email.

I assume the Work Group will meet again some day. The group of residents, Advocates for Safe & Healthy VRD-free Neighborhoods in Newport, would like the attached one-page Word document included in the Agenda for the next Work Group meeting. This bullet list contains a few ADDITIONAL modifications that we would like the Work Group to consider as it finalizes its report to the City Council. Our original bullet list of concerns was submitted on February 24, 2020 and received by the Work Group at its February 26, 2020 meeting.

Please confirm that you've received this email and the one-page document, and that it will be included in the Agenda packet for the next STR Ordinance Implementation Work Group meeting.

Has a date and time been set for that meeting?

Thank you for your assistance,
 Carla Perry
 for Advocates for Safe & Healthy VRD-free Neighborhoods in Newport

ADDITIONAL CONCERNS AND SUGGESTIONS from the public for the STR Ordinance Implementation Work Group -- (second submission, April 22, 2020)

Work Group specific:

- At Nov. 19, 2019 Work Group meeting, Finance Director said he'd verify that all STR MANAGEMENT COMPANIES (i.e., Airbnb, Meredith, VRBO, etc.) have a City BUSINESS license. What were the results of his investigation?

Suggested word changes to application

- Add the line: "I swear all the above information on this application is correct. I understand that if I provide false information, my application will be rejected." Currently, there is no City verification that the application information is true.

Suggested word modifications to ordinance:

- Change ordinance language for Hotline signs must be "VISIBLE" from the street, to must be "LEGIBLE" from the street (i.e. instance of STR at Coast & Olive with sign in 2nd story window. The sign is visible, but the words and numbers not fully legible from street below.)
- Clarification is needed between STR "delinquency" (not filing room tax returns) and "deficiency" (filing an insufficient tax amount) in Newport Municipal Code (i.e, Rogue Ales fiasco).

Suggested policy changes to Ordinance:

- Add language to ordinance re STRs re septic systems. If records are incomplete, owner must pay for ESER (Existing Septic Evaluation Report) before being approved to operate; or ordered to cease until ESER is complete if permit is already approved.
- When a documented incident report is confirmed but the violation is excused (i.e., no strike, citation, or penalty), provide a process where the determination can be appealed by a resident who disagrees with the City determination.
- **MOST IMPORTANT - REPEAT: City to establish time-certain Phase Out period for STRs in Non-Overlay zones to provide relief in R1 & R2 neighborhoods. (5-year Phase Out was deemed acceptable by former City Attorney Steve Rich.)**

Suggested enforcement issues

- Unlicensed STRs must be fined and billed for back taxes, interest, and penalties to help cover City costs of enforcement and processing. City policy now is to allow violators to shut down their illegal operation without any fines. *Voluntary compliance does not work.*

Reporting to Public


- Prepare ongoing reports to the individuals who reported documented violations and make those reports available to the public—as promised when LodgingRevs was hired. Include total fines (when there are any) as part of resolution data. (Municipal Code sets at \$500/day per occurrence.)
- Include *specifics* of why incident was CLOSED. Determination will allow incident reporter the ability to appeal a decision.

Thank you for your consideration of these suggested Ordinance modifications.
From Advocates for Safe & Healthy VRD-free Neighborhoods in Newport

City of Newport

**Community Development
Department**

Memorandum

To: Short-Term Rental Ordinance Implementation Work Group
From: Derrick I. Tokos, AICP, Community Development Director 
Date: June 4, 2020
Re: Online Payment of Business License and Transient Room Tax Fees

Finance Director, Michael Murzynsky, will update the work group on the City's efforts to provide businesses the option of obtaining, and renewing, business licenses and paying associated room taxes online.

Memorandum

To: Short-Term Rental Ordinance Implementation Work Group
From: Derrick I. Tokos, AICP, Community Development Director
Date: June 4, 2020
Re: Short-Term Rental Licensing Fees

This agenda item has been scheduled to provide the Work Group an opportunity to discuss whether it wants to recommend changes to short-term rental licensing fees in light of the COVID-19 local government closure and curtailment orders. Attached is a copy of Resolution No. 3849, listing the fees that were established with Ordinance No. 2144, along with a copy of the proposed FY 20/21 fee schedule. The fee schedule includes a CPI adjustment and would be adopted with the new budget prior to the start of the fiscal year (i.e. July 1, 2020).

Attachments

Resolution No. 3849
Proposed FY 20/21 Fee Schedule

**CITY OF NEWPORT
RESOLUTION NO. 3849**

**RESOLUTION SETTING
SHORT-TERM RENTAL LICENSING FEES**

WHEREAS, City of Newport adopted Ordinance No. 2144, effective May 6, 2019, relating to the regulation of short-term rentals within the city limits; and

WHEREAS, Ordinance No. 2144 puts in place a framework for licensing the annual operation of short-term rentals, in order to ensure the safety and convenience of renters, owners, and neighboring property owners; protect the character of residential neighborhoods; protect the City's supply of needed housing; and address potential negative effects such as excessive noise, overcrowding, illegal parking, and nuisances (e.g. accumulation of refuse, light pollution, etc.); and

WHEREAS, City will incur costs to administer the licensing program, including the review of license applications for compliance with land use requirements, building and fire safety inspections, and enforcement to ensure that rules are being followed; and

WHEREAS, it is reasonable that a portion of City's costs be borne by applicants in the form of a filing fee when applications are initially submitted, and for subsequent license renewals; and

WHEREAS, Ordinance No. 2144 requires that such fees be determined by resolution of the City Council.

THE CITY OF NEWPORT RESOLVES AS FOLLOWS:

Section 1. Initial Application Fee. The filing fee for an initial application for a short-term rental business license endorsement is \$300.00 per unit. Said fee includes the cost of one inspection by the Newport Building Official, or designee. The fee for re-inspections, if required, shall be \$80.00.

Section 2. Endorsement Renewal. The fee to renew a short-term rental business license endorsement is \$230 per unit.

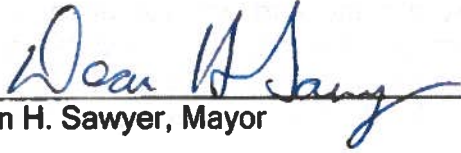
Section 3. Special Parking Area Fees. Short-term rentals within special parking areas as defined in NMC 14.14.100 shall be subject to fees or assessments applicable to commercial uses in those areas.

Section 4. Relationship to Business License. Fees for a business license endorsement and special parking areas, set forth in Section 1 through 3 above, are in addition to business license fees collected pursuant to NMC Chapter 4.05.

Section 5. Annual Fee Adjustments. The fees established herein shall be reviewed annually and adjusted as needed on January 1st of each year to account for inflation using the Bureau of Labor Statistics Consumer Price Index for Urban Consumers (CPI-U).

Section 6. Repeal of Existing Fees. Previously adopted fees related to the licensing of short-term rentals are hereby repealed.

Section 7. Effective Date. The effective date of this resolution is May 6, 2019.



Dean H. Sawyer, Mayor

ATTEST:



Margaret M. Hawker, City Recorder

Community Development Fees and Charges

Services Description	2019-20	2020-2021	Changed	Initial Review	2020-2021 Anticipated Revenue	GL Account
* A person who does business from more than one physical location, and under a different business name or as a different business entity at the separate location, shall obtain a separate business license for each such location, name and entity. An owner or real property for rent or offers for rent more than one dwelling unit of real property need only obtain one business license.						
** Not-for-profit entities shall not be charged a business license annual fee. Such entities must still obtain a business license, pay the business license application fee, and annually renew the license at no cost.						
Business License Fees Surcharge - 46407						
Nye Beach Area Economic Improvement District:						
Business provides no off-street parking spaces	\$250	\$250	\$0		\$7,700	211-4520-46407
Business provides 1-3 off-street parking spaces	\$150	\$150	\$0			211-4520-46407
All other businesses	\$100	\$100	\$0			211-4520-46407
Bay Front Area Economic Improvement District:						
Fewer than 5 employees	\$150	\$150	\$0		\$19,900	211-4540-46407
5 to 20 employees	\$300	\$300	\$0			211-4540-46407
More than 20 employees	\$600	\$600	\$0			211-4540-46407
City Center Area Economic Improvement District:						
All businesses	\$35	\$35	\$0		\$3,000	211-4530-46407
Short-term rental fees - 46400						
Short-term rental application fee (includes one inspection)	\$300	\$308	\$8		\$55,900	101-1900-46400
Re-inspection fee per visit	\$80	\$82	\$2			101-1900-46400
Annual endorsement renewal fee (per unit)	\$230	\$236	\$6			101-1900-46400
Vending Endorsement -46405						
Endorsement application surcharge added to business license if applied for	\$10	\$10	\$0		\$0	101-1900-46405
An additional fee of \$50.00 per calendar month of operation shall be charged for each fixed stand in business vending areas for each mobile stand.						
An additional fee of \$50.00 per calendar month, not to exceed a total of \$250.00 per calendar year shall be charged to holders of endorsements to operate stands adjacent to the business, as permitted by NMC Section 4.10.025(A.)(2.).						

Sherri Marineau

From: Derrick Tokos
Sent: Thursday, May 14, 2020 5:07 PM
To: 'sherry_77777@yahoo.com'
Cc: Sherri Marineau
Subject: RE: Contact Us - Web Form

Hi Ms. Meek,

I am sorry to hear of the challenges you have had to work through with the various construction projects involving your condo unit. Unfortunately, there are no exceptions to the vacation rental license cap that was put in place when the City amended its short-term rental regulations last May.

The best we can offer is a place on the wait list, which you have signed up for. Please keep in mind, that renting the condo for periods of 30-days or longer is not subject to the license limitation. I realize that isn't what you want to do, but it is an option.

The City Council appointed a work group to oversee the implementation of the new short-term rental ordinance. They haven't met for a while because of the COVID-19 pandemic; however, I will see that they receive a copy of your email. You are also welcome to provide other information that you would like them to review. They are tasked with preparing a recommendation to the Council regarding changes that should be made to the code. That may happen in the fall; however, the Council could elect to adjust the schedule due to the pandemic.

Lastly, I'll point you to a provision of the new short-term rental code that deals with impacts to property values. It is Section 14.25.035(B), which reads:

"In the event that a property owner believes they can establish that imposition of these regulations results in a demonstrable reduction in the property's fair market value, such owner may apply to the City for compensation and/or relief from the regulation under ORS 195.310 to 195.314. If the property owner demonstrates with credible evidence a reduction in fair market value the City may provide compensation and/or regulatory relief in a form and amount of its choosing. The property owner may appeal any such final determination pursuant to ORS 195.318."

Those statutes are relevant to residential use of property and require, among other things, that you prepare a pre- and post-appraisal. You might want to talk to a lawyer and/or appraiser to get better informed about the process, costs, risks, etc. if you are inclined to go that route.

Derrick I. Tokos, AICP
 Community Development Director
 City of Newport
 169 SW Coast Highway
 Newport, OR 97365
 ph: 541.574.0626 fax: 541.574.0644
 d.tokos@newportoregon.gov

-----Original Message-----

From: sherry_77777@yahoo.com <sherry_77777@yahoo.com>
Sent: Monday, May 11, 2020 2:48 PM

To: Derrick Tokos <D.Tokos@NewportOregon.gov>
Subject: Contact Us - Web Form

City of Newport, OR :: Contact Us - Web Form

The following information was submitted on 5/11/2020 at 2:47:50 PM

To: Derrick Tokos
Name: Sherry Meek
Email: sherry_77777@yahoo.com
Phone: 5416007552
Subject: Short Term Rental

Message: Mr. Tokos, My husband and I have owned a second property in Newport since 2018 - located at 507 NW Alpine St, #201. When purchasing the property our first surprise was to find that a significant exterior maintenance project that was necessary and assessed by the HOA. The second major surprise was to find that we could not get a rental license due to the prior owners removing/closing off the bedroom door which did not meet fire safety code. We purchased the property with the intent to rent it short-term and being good rule followers, we put a special request into the construction project to add the door access back in the bedroom in order to meet code. We've been waiting and trying to get to a place where we could qualify for license and FINALLY, after over a year, this construction project work that includes adding our door to the East side of the building is underway and has allowed us the opportunity to resume our efforts with the license process since the building is soon to be completed with construction, however, when my husband contacted your office last week, he was told that there is a waiting list and short term rentals have been contained to a certain number and we are now number 50 on the list. We were shocked by this information and were not aware that our commercial zone was being impacted with rental restrictions. This has put a hardship on us due to issues outside of our control that delayed our ability for license approval with the HOA construction project and bedroom fire access door that was removed. I want to request or file a petition for license exception. We purchased in good faith with information that our building was in the commercial zone and allowed for nightly vacation rental and then we have been blocked from being able to obtain a license with the construction project and illegal fire hazard of no proper escape route in the bedroom. We have put over \$65K into the construction project which includes about \$2K to get the fire escape door up to code. Our plan was for me to retire so that I can take care of our aging and health failing parents. To now find that we do not have the opportunity to use our property in the financial way we had planned is a hardship for us and has devalued our property. Not being able to achieve income from short term rental and additionally not having the ability to sell our property to investors who may want short term rental are devaluing our investment in this property. We are currently upside down on our purchase and our plans with this investment have been seriously compromised. We are now facing not being able to do short term rental and not being able to sell without a significant loss. I believe City exceptions allow for consideration if certain criteria exist - like devaluing of property, etc. Can you please assess if an exception can be granted or direct me on how we officially petition for exception. I appreciate your time. Thank You, Sherry Meek

Sherri Marineau

From: Derrick Tokos
Sent: Monday, June 08, 2020 7:52 AM
To: Sherri Marineau
Subject: FW: Resigning from STR

Sherri... please include Bill's note with the meeting materials.

Derrick

-----Original Message-----

From: Bill Posner <bposner@outlook.com>
Sent: Saturday, June 06, 2020 1:02 PM
To: Derrick Tokos <D.Tokos@NewportOregon.gov>
Subject: Resigning from STR

Dear Derrick

Sorry for the short notice, but i must resign from the committee. We have been increasing the care and attention to my 95 year old Father, and it has taken up a lot of my time in the last 3 months, on top of the death of my Step mom. I have not been able to provide the attention to this committee it deserves and feel that my focus elsewhere is not fair to those who count on the committee for guidance.

Thanks so much for your leadership, and organization of this committee and all the issues surrounding it.

Sincerely;

Bill Posner

Sherri Marineau

From: Derrick Tokos
Sent: Friday, June 05, 2020 3:08 PM
To: Sherri Marineau
Subject: FW: Public comment for STR Work Group

From: carla perry <perry.carla@gmail.com>
Sent: Friday, June 05, 2020 3:04 PM
To: Derrick Tokos <D.Tokos@NewportOregon.gov>
Cc: Jason Malloy <J.Malloy@newportpolice.net>; Bill Branigan <phantom41@gmail.com>; Dietmar Goebel <D.Goebel@NewportOregon.gov>; Cynthia Jacobi <cjacobi@charter.net>; Jamie Michel <jamie@sweethomesrentals.com>; Spencer Nebel <S.Nebel@NewportOregon.gov>; Bill Posner <bposner@outlook.com>; David Allen <D.Allen@NewportOregon.gov>; Ryan Parker <R.Parker@NewportOregon.gov>; Ed Backus <ehbackus@gmail.com>; Beatriz Botello <B.Botello@NewportOregon.gov>
Subject: Public comment for STR Work Group

TO: STR Ordinance Implementation Work Group
Public Comment

This letter concerns ongoing violations regarding the short-term rental located at **1330 NW Spring Street** (outside the Overlay zone in a residential neighborhood) and the lack of enforcement, fines, and consequences.

The main house at 1330 NW Spring Street (not the ADU behind the cottage that had been operating as an illegal vacation rental and is currently the subject of a lawsuit against the City -- see * below for details) still does not appear on the list of STR properties that submitted an Operations Plan of precautions to reduce the risk of COVID-19 exposure. This means the property has not been approved to reopen as a short-term rental. *(Note that the only requirement of short-term rental owners is to SUBMIT an Operations Plan. The City does not review or approve the plan, and there is no oversight to ensure the plan is followed.)*

On Friday, May 22, when City Planner Derrick Tokos provided the initial list of rental properties that had submitted an Operations Plan and thereby permitted to reopen on May 23, I brought to his attention the fact that 1330 NW Spring was NOT on the list. Yet 2 sets of guests were already there -- the day before opening day. Those guests stayed until Sunday. New guests arrived later on Sunday, in violation of the City's 24-hour mandated spacing between departure and arrival of new guests. The City was notified of these infractions when my neighbor submitted a LodgingRevs Incident Report and sent an email to CSOs Folmar and Ballentine on May 25. CSO Ballentine responded that she received the complaint, but that complaint against 1330 NW Spring does not show up on Folmar's Complaint List prepared for today's meeting.

It appears there are various violations here -- the property has not filed an Operations Plan for safety and is therefore not permitted to reopen as a short-term rental. The owner began hosting guests the day before any short-term rental within City limits was legally allowed to do so. The owner is not observing the 24-hour spacing delay between guests, which compromises the safety of their housecleaning employees and, by extension, the families of those employees during this time of rapidly increasing virus exposure in Lincoln County.

I am puzzled why the owners of this property, Lauri Hines and Roy Neff, are not required to follow any of the rules required of all other STR property owners, and why they are allowed to continue operating without any fines or consequences. I am puzzled as to why their license has not been revoked.

***History of 1330 NW Spring ADU:**

The owners of 1330 NW Spring Street converted a one-car garage into a two-story house and attached it to the main beach cottage at that address, making it one unit. Their permit, granted by the Planning Department, was for an accessory dwelling unit (ADU), but as soon as construction was completed, the owners began advertising the space as a vacation rental, upping occupancy of that property from 8 people to 14. This was in December 2019.

Numerous complaints from neighbors (and myself) were submitted to the City regarding the illegal operation. Municipal Code says that violators operating an illegal STR will be fined \$500 per day. Eventually, two citations were issued: on 1/29/2020 (fine \$500); and on 2/07/2020 (fine \$500). Neither owner showed up for either of their court dates, to the surprise of Judge Pridgeon. Yet there were no consequences for the no-shows. Instead, the owners sued the City, demanding that their ADU be granted special privilege and that they be allowed to operate the ADU as a short-term rental in a zone where no new STRs can be permitted because the City is phasing out commercial entities in residential zones.

There has been no progress on this situation since January and no additional citations were issued to the owners, even though they continued to operate the ADU as a vacation rental through the winter of 2020. When all short-term rentals were closed in March, the owners began renting the ADU as a 30+day rental.

Current City policy is to issue no more than two citations no matter how many times the violation occurs. If Municipal Code was being followed, the owners would owe \$15,000 (plus interest and penalties) PER MONTH for violations. However, the owners have been able to operate without fines or even normal restrictions "because they're suing the City."

Also note that the address 1330 NW Spring shows up 4 times on CSO Folmar's Summary Chart included in the Agenda packet for the June 8, 2020 Work Group meeting. However, I alone have filed 10 Incident Reports concerning 1330 NW Spring through LodgingRevs, plus numerous emails to the CSOs regarding this address (I have printouts), and several of my neighbors have submitted similar numbers of complaints (we take turns otherwise we would burn out.)

Why has the short-term rental license for 1330 NW Spring Street not be revoked?

And why is there still no feedback regarding incident outcome to the person who reports an incident?

Why is there still no public access to a complaint list that contains details of each complaint?

Thank you for your consideration of this matter.

Carla Perry

Newport

Sherry Marineau

From: Elaine Karnes <karnese@peak.org>
Sent: Saturday, June 06, 2020 12:59 PM
To: Sherry Marineau
Subject: Fwd: Public comment for STR Work Group

----- Forwarded Message -----

Subject: Public comment for STR Work Group

Date: Sat, 6 Jun 2020 12:55:47 -0700

From: Elaine Karnes <karnese@peak.org>

To: Derrick Tokos <D.Tokos@NewportOregon.gov>

CC: Police Chief Malloy <j.malloy@newportpolice.net>, Bill Branigan <phantom41@gmail.com>, Dietmar Goebel <D.Goebel@NewportOregon.gov>, Cynthia Jacobi <cjacobi@charter.net>, Jamie Michel <jamie@sweethomesrentals.com>, Spencer Nebel <S.Nebel@NewportOregon.gov>, Bill Posner <bposner@outlook.com>, David Allen <D.Allen@NewportOregon.gov>, Ryan Parker <r.parker@newportoregon.gov>, Ed Backus <ehbackus@gmail.com>, Beatriz Botello <B.Botello@NewportOregon.gov>

Please read aloud and enter this statement into the record for Public Comment for the Monday, June 8, 2020 Short-Term Rental Implementation Work Group.

The "Short-Term Rental Business License Endorsements" in the Municipal Code includes the requirement that "Good Neighbor Guidelines" (4.25.020 #9) be "reviewed and relayed to short-term rental tenants". Please provide myself (and I would suggest the members of the Short-Term Rental Work Group) with those Guidelines so the Guidelines can be reviewed and determined to be adequate or in need of revision.

Sincerely, Elaine Karnes

Sherry Marineau

From: Derrick Tokos
Sent: Monday, June 08, 2020 7:41 AM
To: Sherry Marineau
Subject: FW: June 8 Public Comment STR Ordinance Implementation Work Group

Sherry... please include Mona's comments with the meeting materials.

Derrick

From: Mona Linstromberg <lindym@peak.org>
Sent: Saturday, June 06, 2020 11:45 AM
To: Derrick Tokos <D.Tokos@NewportOregon.gov>
Cc: Jason Malloy <J.Malloy@newportpolice.net>; Bill Branigan <phantom41@gmail.com>; Dietmar Goebel <D.Goebel@NewportOregon.gov>; Cjacobi <cjacobi@charter.net>; Jamie Michel <jamie@sweethomesrentals.com>; Spencer Nebel <S.Nebel@NewportOregon.gov>; Bill Posner <bposner@outlook.com>; David Allen <D.Allen@NewportOregon.gov>; Ryan Parker <R.Parker@NewportOregon.gov>; Ed Backus <ehbackus@gmail.com>; Beatriz Botello <B.Botello@NewportOregon.gov>
Subject: June 8 Public Comment STR Ordinance Implementation Work Group

Referencing Carla Perry's June 5, 2020 comments for the June 8 STR Ordinance Implementation Work Group, I ask that Mr. Tokos elaborate fully on the Municipal Court Judge's role in not implementing Newport Municipal Code 1.50.010 Default Penalty as it relates to infractions of NMC 4.25 SHORT-TERM RENTAL BUSINESS LICENSE ENDORSEMENTS:

*1.50.010 Default Penalty: Except as otherwise specified, the penalty for violation of any provision of this code or other ordinance shall be a civil penalty of \$500. If the violation is of a code provision or ordinance that is identical to a state statute, the city may elect to proceed on the basis of the state violation or the city violation. **Each calendar day on which violation occurs or remains uncorrected constitutes a separate violation.** (emphasis added)*

In 2017 Newport issued three citations for three violations for a vacation rental at 171 NW 73rd Ct owned by Mr. Burger. Those three citations were for one day though there were multiple days of infractions. When staff was asked why only one day was being pursued, the person filing the complaints was told that the Municipal Court Judge did not like to see multiple citations for the same violation. Apparently, this has been only slightly improved because the owner, Roy Neff, of the ADU at 1330 NW Spring St. was issued two citations for the same violation although, again, more infractions occurred and were documented.

I was present at both scheduled Municipal Court hearings in February 2020 where Mr. Neff was a no show. At the last meeting of this Work Group, it was indicated that Judge Pridgeon had mismanaged this process and that staff intended to meet with him.

Has there been any discussion with Judge Pridgeon about his not implementing NMC 1.50.010 - ***each calendar day on which violation occurs or remains uncorrected constitutes a separate violation***. And why doesn't staff issue the citations anyway even though Judge Pridgeon prefers that they don't? Doing so would then be in the record. Also, has Judge Pridgeon been advised that his lack of action at the hearing proceedings was not appropriate (see NMC 2.15 Civil Infractions)? This seems reasonable. Something is very wrong with this entire process.

I request that the Implementation Work Group strongly urge staff to take corrective action and fix what is obviously broken. There is a disconnect between the City's code and its implementation at the Municipal Court level.

Thank you for your attention.

Mona Linstromberg

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