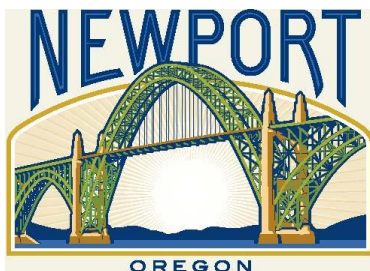


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COAST GUARD CITY, USA

mombetsu, japan, sister city

PROPOSED SHORT-TERM RENTAL FEE BACKGROUNDER

When imposing fees for services, it is important that there be a rational relationship between the amount being charged and the purpose for which the fee is being enacted. A comparison of fees imposed by other jurisdictions is useful insofar as it informs whether or not fees being considered are outliers (i.e. substantially higher or lower than what is typically charged). It is important though that policy-makers and the public, keep in mind that the types of fees, cost recovery policies, and complexity of permit processes vary significantly from jurisdiction to jurisdiction; therefore, what is charged in one city may not be appropriate in another.

With respect to short-term rentals, the following is a sampling of license fees being charged:

	Initial Application	Annual
Astoria	\$350.00	\$150.00
Hood River	\$78.00 application \$234.00 inspection	\$156.00
Lincoln City	\$350.00 land use discretionary (includes inspection)	\$200.00
Cannon Beach	\$275.00	\$75.00 (general business license) \$75.00
Manzanita	\$75.00	\$250.00
Bend	\$673.00 (Type I land use owner occupied or infrequent whole house rental) \$1,873.00 (Type II whole house rental) \$275.00 license application	\$50.00 (general business license) \$200.00
Sisters	\$500.00	\$105.00 (general business license) \$100.00
Newport (existing)	\$140.00 (general business license) \$134.00 (includes inspection)	\$105.00 (general business license)
Newport (proposed)	\$140.00 (general business license) \$300.00 (includes inspection)	\$105.00 (general business license) \$230.00

Bend is the outlier as their initial application fees are considerably higher than the other jurisdictions. This may, in part, be due to more aggressive cost recovery policies as their fees for a range of permits are fairly high. Some jurisdictions impose a general business license fee plus a fee for specialty licenses, whereas others do not. Proposed fee changes for Newport short-term rentals are intended to cover a portion of the cost to review what will be a fairly complex licensing application and expenses the City will incur in securing the services of a third-party vendor to assist with aspects of enforcement unique to short-term rentals, such as online platforms for renting units through intermediaries.