

CITY OF NEWPORT

ORDINANCE NO. 2144

AN ORDINANCE AMENDING CITY OF NEWPORT
SHORT-TERM RENTAL REGULATIONS

WHEREAS, in the fall of 2017, the Newport City Council received a significant amount of public testimony that City's regulations for short-term rentals needed to be updated to protect the character of residential neighborhoods and to preserve the City's long-term housing supply; and

WHEREAS, short-term rentals include bed & breakfast facilities, home share arrangements, and the rental of entire dwelling units (i.e. vacation rentals) where the tenancy is less than 30 days; and

WHEREAS, in response to the public testimony, the City Council directed the Planning Commission to assess how the rules could be improved and the Commission, in turn, pulled together an Ad-Hoc Work Group of interested persons to assist the city in developing a package of recommended changes; and

WHEREAS, the Ad-Hoc Work Group met 15 times between January and October of 2018 to review the City's rules, evaluate best management practices employed by other jurisdictions, and to develop policy options for revising the city's codes; and

WHEREAS, policy options developed by the Ad-Hoc Work Group were informed by feedback received at public open houses held on August 15, 2018 and August 22, 2018; and

WHEREAS, the Planning Commission met in work session on October 8, 2018 and October 22, 2018 to further refine the policy options provided by the Ad-Hoc Work Group; and

WHEREAS, the Planning Commission held an initial public hearing on November 13, 2018 to obtain public input on the proposed changes to the City's short-term rental regulations, such hearing occurring after citywide notice was provided to property owners pursuant to ORS 227.186; and

WHEREAS, the Commission held a work session on November 26, 2018, a second public hearing on December 10, 2018, and a work session on January 8, 2019, before making a recommendation to the City Council on January 14, 2019; and

WHEREAS, the City Council held work sessions on October 15, 2018, January 22, 2019, March 4, 2019 and a joint work session with the Planning Commission on April 1, 2019; and

WHEREAS, the City Council held public hearings on February 19, 2019, March 18, 2019 and May 6, 2019, with public testimony received at the hearings and work sessions resulting in a number of revisions to the proposed regulatory changes; and

WHEREAS, considering the Planning Commission recommendation, staff analysis, and public testimony, both oral and written, the City Council, at the close of its May 6, 2019 public

hearing, took up the question of the proposed revisions to the City's short-term rental regulations and voted in favor of their adoption; and

WHEREAS, in adopting these revisions to the City's short-term rental regulations, the City Council finds that the changes are necessary and further the general welfare of the community by establishing criteria limiting the location, number and manner in which short-term rentals are permitted, to protect the character of residential neighborhoods, the City's supply of needed housing, and to address potential negative effects such as excessive noise, overcrowding, illegal parking, and nuisances; and

WHEREAS; the Council further finds that the new regulations 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 durations; and

WHEREAS, information in the record, including affidavits of mailing and publication, demonstrate that appropriate public notification was provided for both the Planning Commission and City Council hearings; and

WHEREAS, the continued peace, health, and safety of the citizens of the City of Newport is furthered by emergency adoption of this ordinance, with the initial date the City will accept applications under the ordinance being July 1, 2019, as this provides a reasonable amount of time for public informational materials to be developed, administrative procedures prepared, and staff trained to implement the new requirements.

THE CITY OF NEWPORT ORDAINS AS FOLLOWS:

Section 1. The above findings are hereby adopted as support for the amendments, below.

Section 2. Newport Municipal Code Chapter 4.25, Short-Term Rental Business License Endorsements, is hereby established as shown in Exhibit "A."

Section 3. Newport Municipal Code Chapter 14.01, Purpose and Definitions, is hereby amended to include new and revised definitions in Section 14.01.020 as listed in Exhibit "B."

Section 4. Newport Municipal Code Chapter 14.25 is hereby repealed and replaced as shown in Exhibit "C."

Section 5. Newport Municipal Code Section 3.25.010(E)(2)(ii), a component of the definition of "Multiple-unit housing," is hereby amended to read:

"The structure must not be designed or used as transient accommodations, including but not limited to hotels, motels, and short-term rentals."

Section 6. Newport Municipal Code Section 3.25.010, Definitions, is hereby amended to include the following definition:

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."

Section 7. The definition for “Vacation Rental” in Newport Municipal Code Section 3.25.010(I) is hereby deleted.

Section 8. Newport Municipal Code Section 3.25.070(D), Project Compliance, is hereby amended to read:

“During the exemption period, the owner or a representative shall submit annual documentation, in the form of standard lease agreements or equivalent, showing that units are not being used as short-term rentals.”

Section 9. Newport Municipal Code Section 14.03.050(Z), Residential Uses, related to Bed & Breakfast Facilities is hereby deleted.

Section 10. Newport Municipal Code Section 14.03.050(AA), Residential Uses, related to Vacation Rentals is hereby deleted.

Section 11. Newport Municipal Code Section 14.03.050, Residential Uses, is hereby amended to include short-term rentals as permitted uses in the City of Newport’s R-1, R-2, R-3 and R-4 zone districts subject to requirements of Chapter 14.25.

Section 12. Declaration of Emergency. It is hereby adjudged and declared that existing conditions are such that this Ordinance is necessary for the immediate preservation of the public peace, health, and safety of the City of Newport, and an emergency is hereby declared to exist and this Ordinance, and all provisions modifying the Ordinance referred to herein, shall take effect in full force and effect when signed by the Mayor, with the first date for which a license may be applied for pursuant to this ordinance being July 1, 2019.

Adopted by the Newport City Council on May 6, 2019.

Signed by the Mayor on the _____ day of _____, 2019.

Dean H. Sawyer, Mayor

ATTEST:

Margaret M. Hawker, City Recorder

Approved as to form:

City Attorney