WHATCOM COUNTY Planning & Development Services 5280 Northwest Drive Bellingham, WA 98226-9097 360-778-5900, TTY 800-833-6384 360-778-5901 Fax



Mark Personius, AICP
Director

Memorandum

TO: The Honorable Whatcom County Council

The Honorable Satpal Sidhu, County Executive

FROM: Cliff Strong, Senior Planner

THROUGH: Steve Roberge, Asst. Director

DATE: April 26, 2022

SUBJECT: Advisory Public Hearing on Vacation Rental Regulations

Purpose

On March 8th the Council decided to hold an advisory public hearing on potential amendments to Title 20 (Zoning) to regulate vacation (short-term) rentals. The purpose of the advisory hearing is to gage public sentiment on whether such regulations are needed and/or supported by the public. This memo is intended to provide background on the potential amendments.

Background

In late 2014 after having received complaints from citizens neighboring vacation rental units the Council started a process to adopt regulations pertaining to vacation rentals (a.k.a., short-term rentals or STRs). Whatcom County Code (WCC Title 20, Zoning) currently does not prohibit the rental of single-family dwellings, either short- or long-term. Lacking such a prohibition, vacation rentals are allowed wherever single-family dwellings are allowed.

When the Council's review process first started the Council was provided a range of regulatory schemas, including:

- **1. Permitted outright as a single family dwelling.** Allow rentals of any duration in residential zones without conditions.
- **2. Permitted with performance standards.** Allow vacation rentals as a permitted use in all rural and residential zones, subject to conditions.
- **3. Permitted in specified locations, with performance standards.** Same as 2 but permitted only in certain zones or geographic areas.
- **4. Permitted with registration.** Same as 2 or 3 but with licensing or registration requirements.
- **5. Prohibition.** Vacation rentals are not permitted uses in any residential zones.

After a series of discussions¹ and a recommendation from the Planning Commission², the Council chose a schema that would (see Exhibit A for details):

- Add vacation rentals as an accessory use in UR, URM, URMX, RR, RRI, TZ, RC, STC, AG, and R, and as a conditional use in the Lake Whatcom Watershed Overlay District;
- Adopt performance standards addressing parking, maximum numbers of guests, signage, health and safety measures, etc.;
- Require those on septic to provide a current satisfactory Report of System Status upon registration (and thereafter every three years);
- Require owners to annually register with Planning and Development Services; and,
- Amend the definitions of "bed and breakfast establishment" and "bed and breakfast inn" and add a new definition of "vacation rental unit".

So as to maintain consistency between zoning (Title 20) and the Shoreline Management Program (SMP), amendments were also proposed to Title 23 (Exhibit B). These amendments would:

- Include vacation rental units and bed and breakfast establishments as part of a single-family residential use (rather than a commercial use) for purposes of determining permitted uses in various shoreline designations;
- Remove bed and breakfasts as a conditional use in the Urban Conservancy and Conservancy shoreline designations; and,
- Amend several definitions and add a definition of "vacation rental unit."

Both sets of draft amendments have been reviewed by the Planning Commission, who recommended approval. In 2016, the Council held a hearing on the SMP amendments and passed Resolution 2016-039, forwarding the SMP amendments to the Department of Ecology (DOE) for its review (which approved them). However, Council has not yet adopted an ordinance effecting them³. Nor has Council held a hearing or adopted the Title 20 (Zoning) amendments.

Since this process began there have been several elections and the Council is comprised of different members than in 2014. To aid them in their decision making, the current Council wants to hear from the public so as to gage whether such regulations are needed. To that end, the Council will be holding an advisory public hearing on May 10, 2022. Please visit https://www.whatcomcounty.us/3415/Participate-in-Virtual-Council-Meetings to see how to participate and voice your opinion.

Attachments

Exhibit A – Draft Title 20 (Zoning) amendments

¹ The Council has discussed this issue in committee 12 times so far, from 9/16/2014 through 3/8/2022.

² The Planning Commission also held several workshops on the Title 20 amendments, and a public hearing on 1/8/2015.

³ These amendments have been included in the SMP Periodic Update that Council has approved, though are not yet adopted into code as we're awaiting Department of Ecology approval prior to final adoption.