

**SEPA DRAFT
CITY OF SEATTLE**

ORDINANCE _____

COUNCIL BILL _____

..title

AN ORDINANCE amending Sections 23.55.022, 23.84A.024, 23.84A.030 and 23.84A.036 and subsection 23.45.545.G of the Seattle Municipal Code (SMC), adding a new Section 23.42.060 to the SMC and repealing Sections 23.44.051 and 23.44.072 of the SMC; to define and adopt development standards for short term rental uses and modify the definition and standards for bed and breakfast uses.

..body

WHEREAS housing vacancy rates are at low levels, making it increasingly difficult for people to

obtain permanent housing; and

WHEREAS, removal of residential units from the long-term housing market contributes to low

vacancy rates; and

WHEREAS, the conversion of long-term housing units to short-term rentals could result in the

loss of housing for Seattle residents; and

WHEREAS, according to data published by Airbnb in December 2015, 630 units were rented on

the Airbnb platform for more than 90 nights a year; and

WHEREAS, it is in the public interest that short-term rental uses be regulated in order to help

preserve housing for long-term tenants; and

WHEREAS, the exception created here for short-term rentals uses rented for less than 91 nights

in any 12 month period provides flexibility for short-term rentals offered on an

occasional basis; and

WHEREAS, short-term rental platform's business depends upon participation and contact with

local short-term rental operators; and

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1 WHEREAS, the standards for the operation of short-term rental uses contained in this ordinance
2 help preserve the City's permanent housing stock, reduce negative effects on affordable
3 housing, and protect the livability of residential neighborhoods; and

4 WHEREAS, the Council finds that this ordinance will help protect and promote the health, safety
5 and welfare of the general public,

6 NOW, THEREFORE,

7 **BE IT ORDAINED BY THE CITY OF SEATTLE AS FOLLOWS:**

8 Section 1. A new Section 23.42.060 is added to the Seattle Municipal Code as follows:

9 **23.42.060 – Short-term Rentals and Bed and Breakfasts**

10 Short-term rental and bed and breakfast uses are subject to the following provisions:

11 A. Short-term rentals and bed and breakfasts are permitted as an accessory use to any
12 residential use unless the proposed use is over water or otherwise prohibited by the Shoreline
13 regulations contained in Chapter 23.60A.

14 B. A short-term rental use may be located in an accessory dwelling unit.

15 C. Limit on number of nights.

16 1. Except as provided in subsection 23.42.060.C3, when a person provides a
17 dwelling unit or a portion thereof as a short-term rental or bed and breakfast, and the dwelling
18 unit is the person's primary residence, there is no limit on the number of nights the dwelling unit
19 or portion thereof may be rented for short-term rental or bed and breakfast use.

20 2. When a person provides a dwelling unit or portion thereof that is not their
21 primary residence for short-term rental use, the dwelling unit or portion thereof may be rented as
22 a short-term rental use for a maximum of 90 nights in any 12 month period.

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1 3. In multi-family zones, there is no limit on the number of nights the dwelling
2 unit or portion thereof may be rented as a bed and breakfast use.

3 D. Business License.

4 1. All owners or operators of short-term rental uses and bed and breakfast uses
5 shall have a Business License Tax Certificate issued by the Department of Finance and
6 Administrative Services.

7 2. All operators of short-term rental uses that are rented for more than 90 nights in
8 a 12 month period at a single dwelling unit, as permitted by subsection 23.42.060.C.1, shall have
9 a Short-Term Rental Operator's License issued by the Department of Finance and Administrative
10 Services.

11 3. All operators of bed and breakfast uses rented for more than 90 nights in a 12
12 month period shall have a Short-Term Rental Operator's License issued by the Department of
13 Finance and Administrative Services.

14 E. Number of residents and guests. The total number of residents and guests occupying a
15 dwelling unit that includes a short-term rental may not exceed the number of residents allowed in
16 a household. For sites with an accessory dwelling unit, the total number of residents and guests
17 occupying both dwelling units may not exceed the number allowed for a household.

18 1. A bed and breakfast use in a single-family zone may have up to five guest
19 rooms and the maximum number of residents and guest allowed shall be as permitted by Title
20 22, provided that there is no limit on the number of guest rooms in: (1) a bed and breakfast use in
21 a multi-family zone, or (2) a bed and breakfast in a single-family that was lawfully established
22 on or before April 1, 1987 and that has been continuously operated as a bed and breakfast since
23 April 1, 1987.

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1 F. Short-term rental uses and bed and breakfast uses may display signs identifying the use
2 if the signs are permitted by Chapter 23.55;

3 Section 2. Section 23.44.051 of the Seattle Municipal Code, last amended by Ordinance
4 124919, is repealed:

5 ~~((23.44.051 – Bed and breakfasts~~

6 ~~A bed and breakfast use is permitted if it meets the following standards:~~

7 ~~A. General provisions~~

8 ~~1. The bed and breakfast use shall have a business license issued by the~~
9 ~~Department of Finance and Administrative Services;~~

10 ~~2. The bed and breakfast use shall be operated by an owner who owns at least a 50~~
11 ~~percent interest in the dwelling in which the bed and breakfast is located;~~

12 ~~3. An owner who owns at least a 50 percent interest in the dwelling shall reside in~~
13 ~~the structure in which the bed and breakfast use is located during any period in which rooms are~~
14 ~~rented to guests;~~

15 ~~4. No more than two people who reside outside the dwelling unit shall be~~
16 ~~employed, with or without compensation, in the operation of the bed and breakfast use;~~

17 ~~5. The bed and breakfast use shall be operated within the principal structure,~~
18 ~~which shall be at least five years old;~~

19 ~~6. There shall be no evidence of the bed and breakfast use from the exterior of the~~
20 ~~structure except for a sign permitted by subsection 23.55.020.D.1;~~

21 ~~7. The bed and breakfast use shall have no more than five guest rooms, provided~~
22 ~~that this limitation does not apply to bed and breakfasts that were established on or before and~~
23 ~~have been continuously operated as a bed and breakfast since April 1, 1987; and~~

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1 ~~8. Parking shall be provided as required in Chapter 23.54.~~

2 ~~B. Alterations to single family structures. Interior and exterior alterations consistent with~~
3 ~~the development standards of the underlying zone are permitted.~~

4 ~~C. Dispersion. Any lot line of property containing any proposed new bed and breakfast~~
5 ~~use must be located 600 feet or more from any lot line of any other bed and breakfast use.~~

6 ~~D. Neighborhood mitigation provisions~~

7 ~~1. The owner will make public transit information available to patrons, and the~~
8 ~~owner's operating plan must describe how the transit information will be made available to~~
9 ~~patrons.~~

10 ~~2. The design of the structure in which the use is located and the orientation of the~~
11 ~~access will minimize impacts, such as noise, light and parking, to neighboring structures.~~

12 ~~3. The owner's operating plan includes quiet hours, limits on programmed on-site~~
13 ~~outdoor activities, and parking policies to minimize impacts on residential neighbors.~~

14 ~~4. The delivery of goods and services associated with the bed and breakfast use~~
15 ~~are accommodated at a time and in a manner that will limit, to the extent feasible, impacts on~~
16 ~~surrounding properties.~~

17 ~~5. The operating plan shall be distributed to all residents and property owners~~
18 ~~within 300 feet of the proposed bed and breakfast use. The distributed plan shall reference this~~
19 ~~Section 23.44.051 and provide contact information for the Seattle Department of Construction~~
20 ~~and Inspections' Review and Inspection Center and contact information for the operator of the~~
21 ~~bed and breakfast. Applicants for a permit to establish a bed and breakfast use shall provide~~
22 ~~proof to the Seattle Department of Construction and Inspections that they made a good faith~~
23 ~~effort to provide the required distribution prior to issuance of a permit establishing the use.))~~

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1 Section 3. Subsection 23.45.545.G of the Seattle Municipal Code, last amended by
2 Ordinance 124378, is amended as follows:

3 G. Reserved (~~Bed and breakfast uses. A bed and breakfast use may be operated under~~
4 ~~the following conditions:~~

5 1. ~~The bed and breakfast use has a business license issued by the Department of~~
6 ~~Finance;~~

7 2. ~~The operation of a bed and breakfast use is conducted within a single dwelling~~
8 ~~unit;~~

9 3. ~~The bed and breakfast use is operated within the principal structure and not in~~
10 ~~an accessory structure;~~

11 4. ~~There shall be no evidence of a bed and breakfast use from the exterior of the~~
12 ~~structure other than a sign permitted by subsection 23.55.022.D.1, so as to preserve the~~
13 ~~residential appearance of the structure;~~

14 5. ~~No more than two people who are not residents of the dwelling may be~~
15 ~~employed in the operation of a bed and breakfast, whether or not compensated; and~~

16 6. ~~Parking is required pursuant to Chapter 23.54. Interior and exterior alterations~~
17 ~~consistent with the development standards of the underlying zone are permitted.))~~

18 Section 4. Section 23.44.072 of the Seattle Municipal Code, last amended by Ordinance
19 117202, is repealed:

20 ((23.44.072 —Roomers, boarders, lodgers.

21 The renting of rooms, with or without meals, by a household for lodging purposes only,
22 for the accommodation of not more than two (2) roomers, boarders or lodgers, is permitted

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1 ~~outright as an accessory use within a dwelling unit as long as the total number of residents does~~
2 ~~not exceed eight (8).)~~

3 Section 5. Section 23.55.022 of the Seattle Municipal Code, last amended by Ordinance
4 120388, is amended as follows:

5 D. The following signs are permitted in all multifamily zones:

6 ***

7 8. One electric, externally illuminated or nonilluminated sign, not exceeding 64 square
8 inches in area(~~, bearing the name of a bed and breakfast~~);

9 ***

10 Section 6. Section 23.84A.024 of the Seattle Municipal Code, last amended by Ordinance
11 124475, is amended as follows:

12 **23.84A.024 - "L"**

13 ***

14 "Lodging use" means a commercial use in which the primary activity is the provision of
15 rooms to transients. Lodging uses include but are not limited to the following uses:

16 1. "Bed and breakfast" means a lodging use, lawfully established prior to May 1,
17 2016, where rooms within a single dwelling unit are provided to transients (~~by a resident~~
18 ~~operator~~) for a fee by prearrangement on a daily or short-term basis. A bed and breakfast use is
19 considered to be lawfully established if the use was issued one or more of the following: a land
20 use permit establishing the bed and breakfast use by the City of Seattle, a Food Service
21 Establishment permit for a bed and breakfast use issued by Seattle King County Public Health;
22 or a Transient Accommodation License for a bed and breakfast use issued by the Washington
23 State Department of Health; and the use has not been discontinued for a period of more than one

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1 year. A breakfast and/or light snacks may be served to those renting rooms in the bed and
2 breakfast, provided that the facility meets all applicable health and safety regulations.

3 2. "Hotel" means a lodging use, located in a structure in which access to
4 individual units is predominantly by means of common interior hallways, and in which a
5 majority of the rooms are provided to transients for a fee on a daily or short-term basis.

6 3. "Motel" means a lodging use, located in a structure in which access to
7 individual units is predominantly by means of common exterior corridors, and in which a
8 majority of the rooms are provided to transients on a daily or short- term basis, and in which off-
9 street parking is provided on the lot.

10 4. "Short-Term Rental" means a lodging use, that is not a hotel or motel, in which
11 a dwelling unit or rooms within a dwelling unit are rented to a person by a short-term rental
12 operator for a fee for fewer than 30 consecutive nights. A breakfast and/or light snacks may be
13 served to those renting rooms in the short-term rental, provided that the facility meets all
14 applicable health and safety regulations.

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16 Section 7. Section 23.84A.030 of the Seattle Municipal Code, last amended by Ordinance
17 124378, is amended as follows:

18 **23.84A.030 - "P"**

19 ***

20 "Pet grooming services." See "Retail sales and services, general."

21 "Pitched roof" means any non-horizontal roof.

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1 "Preliminary plat" means a neat and approximate drawing of a proposed subdivision
2 showing the general layout of streets and alleys, lots, blocks and other elements of a subdivision,
3 that is submitted to furnish a basis for the approval or disapproval of the general layout of a
4 subdivision.

5 "Primary Residence" means a resident's usual place of return for housing as documented
6 by motor vehicle registration, driver's license, voter registration or other such evidence. A person
7 may have only one primary residence.

8 "Principal structure" means the structure housing one or more principal uses as
9 distinguished from any separate structures housing accessory uses.

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11 Section 8. Section 23.84A.036 of the Seattle Municipal Code, last amended by Ordinance
12 124457, is amended as follows:

13 **23.84A.036 - "S"**

14 ***

15 "Short subdivision" means the division or redivision of land into nine (9) or fewer lots,
16 tracts, parcels, sites or divisions for the purpose of sale, lease, development or financing.

17 "Short-term Rental." See "Lodging Use."

18 "Short-term rental operator" means any person who is the owner or tenant of a dwelling
19 unit, or any designee of the owner or tenant, who provides a dwelling unit, or portion thereof, for
20 short-term rental use.

21 "Shoulder" means the graded area between the roadway edge and the sidewalk, or slope
22 line where there is no sidewalk, on the portion of a street where there are no curbs.

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Section 9. This ordinance shall take effect on January 1, 2017.

Passed by the City Council the ____ day of _____, 2016, and
signed by me in open session in authentication of its passage this
____ day of _____, 2016.

President _____ of the City Council

Approved by me this ____ day of _____, 2016.

Edward B. Murray, Mayor

Filed by me this ____ day of _____, 2016.

Monica Martinez Simmons, City Clerk

(Seal)