

Chapter 5.57

Short Term Rentals

5.57.010: Purpose.

- A. The purpose of this chapter is to establish regulations for the operation of short term rentals within the city. It does not apply to hotels, motels, and bed and breakfasts.
- B. The provisions of this chapter are necessary to provide adequate housing opportunities to low and moderate income persons and to prevent unreasonable burdens on services and impacts on residential neighborhoods posed by short term rentals. Special regulation of these uses is necessary to ensure that they will be compatible with surrounding residential uses and that they won't unreasonably reduce community housing opportunities. Maintenance of the city's existing residential neighborhoods is essential to its continued social and economic strength. It is the intent of this chapter to protect housing availability and to minimize the impact of short term rentals on adjacent residences, and to minimize the impact of the commercial character of short term rentals.

5.57.020: Definitions.

The definitions set forth in this section and Chapter 17.16 shall apply to short term rental properties.

- A. "Authorized agent" is a property management company or other entity or person who has been designated by the owner, in writing, to act on their behalf. The authorized agent may or may not be the designated representative for purposes of contact for complaints.
- B. "Event" means wedding, bachelor or bachelorette party, concert, sponsored event, or any similar group activity.
- C. "Local contact" means a person identified by the owner who is available to respond twenty-four hours a day, seven days a week, to any complaint involving the short term rental.
- D. "Owner" means the person that owns and holds legal and/or equitable title to the property.
- E. "Principal residence" means the residence where the owner personally resides two hundred seventy-five or more days each calendar year.
- F. "Short term rental" means temporary lodging for charge or fee at a dwelling unit for a rental period of less than one month, or less than thirty continuous days if the rental period does not begin on the first day of the month.
- G. "Short term rental type 1" means short term rental wherein rooms are rented within a dwelling unit and the owner or long-term renter is personally present at the dwelling unit during the rental period or the entire dwelling is rented for no more than ninety total days in a calendar year. Portions of calendar days shall be counted as full days.
- H. "Short term rental type 2" means a short term rental where an entire dwelling unit is rented and the property owner does not reside on-site.

5.57.030 General requirements.

- A. No owner or property within the Castle Rock city limits may offer, operate, rent, or otherwise make available or allow any other person to make available for occupancy or use a short term rental without a

Castle Rock short term rental permit and license and any applicable state and federal requirements.

Offer includes through any media, whether written, electronic, web-based, digital, mobile, or otherwise.

- B. A short term rental is a permitted use in any conforming or preexisting dwelling unit in any zone.

5.57.040 Application requirements.

In addition to the general application requirements of the designated review level, applicants for a short term rental permit and license and yearly renewals must pay the fees stated herein and provide the following additional information as required on the forms provided by the city. The process for such permits shall be Type I – Administrative I.

- A. All short term rentals shall be required to obtain a business license as provided for in Chapter 5.01 CRMC.
- B. Verification that lodging and business taxes through the previous quarter from the expiration date have been remitted to the Washington State Department of Revenue for an existing short term rental. If applying for a new short term rental, then verification of lodging taxes will be done at the annual renewal of the license.
- C. Fees shall be paid per the City fee schedule.
- D. Evidence of meeting the Washington State standards regulating Consumer Safety and Liability insurance as stated in RCW 64.37.
- E. Notification that the renter is responsible for complying with this chapter and that the renter may be cited or fined by the city for violating any provisions of this chapter.
- F. Provide information identifying all websites and other locations where availability of the short term rental is posted (such as VRBO/Air BNB/etc.) or advertised and any listing number(s). (The city issued permit and license number(s) must be part of any posting or advertisement of the short term rental.)
- G. Such other information the City Planner or designee deems reasonably necessary to administer this chapter.

5.57.050 Short term rental type and density requirements.

- A. Type 1 Short term Rentals: Allowed in any residential dwelling unit.
 - 1. If a Type 1 rental is being rented without the property owner onsite, the contact information of a local contact person available 24/7 within fifteen miles of the rental shall be provided to the renter.
- B. Type 2 Short term Rentals:
 - 1. Maximum of two separate Type 2 rentals are allowed per owner.
 - 2. Maximum of one Type 2 rental per parcel is allowed.
 - 3. Contact information for a local contact person available 24/7 within fifteen miles of the rental shall be provided to the renter.
 - 4. The maximum amount of Type 2 rentals allowed are eleven.
 - 5. License issuance and continued validity for Type 2 rentals shall be contingent upon the owner's good faith effort to actively engage in the rental of the property. Failure to provide documentation of rental activity for a minimum of twelve nights during a twelve month period, pro-rated quarterly, prior to the renewal deadline shall constitute an immediate forfeiture of the license.

5.57.060 Development standards.

- A. Recreational vehicles and other similar vehicles, machines, or recreational devices are not permitted to be parked on site or within the public right-of-way related to short term rentals.
- B. Short term rentals are prohibited to be utilized as event space.
- C. For Type 2 Short term Rentals a local contact must be provided who is able to respond twenty-four hours a day, seven days a week to any complaints. The local contact must be within fifteen miles of the rental.
- D. A short term rental permit and license will not be issued if the owner is not current on lodging tax payments to the Washington State Department of Revenue for an existing short term rental. If applying for a new short term rental then verification of lodging taxes paid will be done at the annual renewal.
- E. Functioning fire extinguisher(s) shall be installed within the short term rental. Number and location will be determined based on the size of the structure during the inspection process.
- F. If the short term rental property has a pool then the pool must be fenced meeting the requirements of the IRC.

5.57.070 Term of annual permit and license.

- A. Short term rental permits and licenses shall be issued for a period of one year, with its effective date running from the date of issuance. The permit and license must be renewed annually. Applicable standards of this chapter must be met and the following renewal requirements must also be met:
 - 1. Verification that all lodging taxes for year have been paid to the Washington State Department of Revenue.
 - 2. Owner or authorized agent is responsible for scheduling the annual inspection.
- B. The short term rental permit and license will be issued in the name of the owner. If the property is sold, and the new owner or authorized agent continues the property as a short term rental then the new owner or authorized agent is required to obtain a short term rental permit and license and comply with the regulations outlined in this chapter.

5.57.080 Violation and repeat offenses.

- A. It is unlawful to rent, offer for rent, or advertise for rent a dwelling unit located on any property within the city as a short term rental without a permit and license authorizing such use that has been approved and issued in the manner required by this chapter.
- B. Failure of the owner or the authorized agent or local contact of a short term rental to respond to a nuisance complaint to the Castle Rock police department arising out of the occupancy and use of the short term rental by a tenant, or the tenant's visitors or guests, is a violation and will be fined as follows:
 - 1. First call and violation received no charge;
 - 2. Second call and violation received seven hundred fifty dollars;
 - 3. Third call and violation received one thousand dollars; and
 - 4. Fourth call and violation received permit and license revoked.
- C. In addition to any other remedy provided by this chapter, a short term rental permit and license issued pursuant to this chapter may be suspended, modified, or revoked for violations of this chapter, for violation of any other law on the premises of the short term rental, or for the maintenance of such other conditions as may be shown to be injurious to the public health and safety.
- D. Violation of this chapter shall be processed as outlined in Chapter 8.04: Nuisances.

5.57.090 Denial of application for a short term rental.

An application for a short term rental shall be denied if the approving authority finds that either the application or record fails to establish compliance with the provisions of this chapter. When any application is denied, the approving authority shall state the specific reasons, and shall cite the specific provisions and sections of this code on which the denial is based.

5.57.100 Appeal.

Decisions regarding short term rentals may be appealed per the procedures outlined in Chapter 17.77.040: Development permit review procedures.

5.57.110 Severability.

If any chapter, section, subsection, sentence, clause, or phrase of this chapter is for any reason held to be invalid or unconstitutional, such decision shall not affect the validity of the remaining portions of this chapter and each section, subsection, sentence, clause, or phrase thereof.