



CASTLE ROCK PLANNING COMMISSION

Regular Meeting: Wednesday, July 20, 2022
6:00 PM

Location
Castle Rock Senior Center
222 Second Ave SW
Castle Rock, WA 98611

AGENDA

To join this meeting from your computer, tablet or smartphone: <https://global.gotomeeting.com/join/837170661>

To join this meeting using your phone: +1 (646) 749-3122 **Access Code:** 837-170-661 (Press *6 to speak)

New to GoToMeeting? Get the app now and be ready: <https://global.gotomeeting.com/install/837170661>

1. CALL TO ORDER

- a. Roll Call

2. APPROVAL OF MINUTES

- a. June 15, 2022 PC Meeting Minutes

3. PUBLIC COMMENT

4. OLD BUSINESS

- a. Home Occupations
- b. Short Term Rentals

5. NEW BUSINESS

6. ADJOURNMENT

NEXT REGULAR MEETINGS:

August 17, 2022 - Canceled

September 21, 2022

Non-Discrimination Statement: This institution is an equal opportunity provider and employer. If you wish to file a Civil Rights program complaint of discrimination, complete the USDA Program Discrimination Complaint Form, found online at https://www.ascr.usda.gov/sites/default/files/Complain_combined_6_8_12_508_0.pdf or at any USDA office, or call 866.632.9992 to request the form. You may also write a letter containing all of the information requested in the form. Send your completed complaint form or letter by mail to USDA, Office of the Assistant Secretary for Civil Rights, 1400 Independence Ave, SW, Stop 9410, Washington, DC 20250-9410 or email to program.intake@usda.gov or by fax (202) 690-7442.

Title VI: The City of Castle Rock ensures compliance with Title VI of the Civil Rights Act of 1964 and American Disabilities Act of 1990 by prohibiting discrimination against any person on the basis of race, color, national origin, sex or disabilities in the provision of benefits and services from its federal assisted programs and activities. If you need special accommodations to participate in this meeting, please contact Karlene Akesson at 360.274.8181 by 9:00 a.m. three days prior to the meeting.

Planning Commission may add and take action on other items not listed on this Agenda.

1. CALL TO ORDER

a. Roll Call

Planner Granrath called the regular meeting to order at 6:03 pm.

Members Present: Contracted Planners - Senior Planner, Rachel Granrath; Planner, Ryan Patrick Shea; Commissioners: Richard Skreen, Rick Sullivan, Ryane Olin, Matt Rasmussen; Secretary, Karlene Akesson

Members Absent: Commissioners - Justice Wyonne and Leah Medina

2. INTRODUCTIONS

a. Commissioner Matt Rasmussen

Newly appointed Commissioner, Matt Rasmussen, introduced himself to the Planning Commission.

b. Ryan Patrick Shea - Planner; SCJ Alliance

Planner Ryan Patrick Shea introduced himself to the Planning Commission.

3. APPROVAL OF MINUTES

a. April 20, 2022 and May 18, 2022 PC Meeting Minutes

Commissioner Olin motioned to approve the April 18, 2022 and May 18, 2022 Planning Commission Meeting Minutes. Commissioner Sullivan seconded the motion. By consensus, the minutes were approved.

4. PUBLIC COMMENT

Community member, Melvin Larsen, introduced himself.

5. OLD BUSINESS

a. Home Occupations

Planner Granrath led a discussion regarding possible changes to the Home Occupations section of the Castle Rock Municipal Code.

6. NEW BUSINESS

a. Appoint Chairperson

Richard Skreen motioned to Nominate Commissioner Rick Sullivan as Chairperson. Commissioner Ryane Olin seconded the motion. By consensus, Rick Sullivan was elected Chairperson.

b. Appoint Vice Chairperson

Ryane Olin motioned to Nominate Commissioner Matt Rasmussen as Vice-Chairperson.

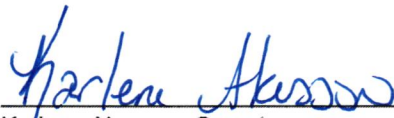
Commissioner Richard Skreen seconded the motion. By consensus, Matt Rasmussen was elected Vice-Chairperson.

c. Short Term Rentals

Planner Shea shared a Power Point presentation on short-term rentals. The Commissioners discussed possible options with the Planners.

7. ADJOURNMENT

Chairperson Rick Sullivan closed the meeting at 7:13 pm.

A handwritten signature in blue ink, reading "Karlene Akesson", is written over a horizontal line.

Karlene Akesson, Secretary

Home Occupation Code Draft

Overview Current Code:

Current code section	Proposed code structure
17.48.120 Home occupations – Permitted uses.	Change to Home occupations – Applicability
17.48.130 Home occupations – Required criteria.	Remain as redlined
17.48.140 Home occupations in accessory buildings – Permit required.	Remove section
17.48.150 Home occupations – Fronting residential arterial streets.	Remove section

17.48.120 Home occupations – Applicability

A. Purpose. The purpose of this section is to prescribe the conditions and regulations under which home occupations may be conducted when accessory to a residential use. The conduct of business within a residential dwelling or accessory building may be permitted in residential and commercial districts under the provisions of this section as long as the home occupation is consistent with the existing character of the surrounding neighborhood as defined by the approval criteria in 17.48.130. Using the approval criteria, it is the intent of this section to:

1. Maintain and preserve the character of residential neighborhoods;
2. Ensure the compatibility of home occupations with other uses permitted in the residential and commercial districts;
3. Promote the efficient use of public services and facilities while assuring that home occupation users do not reduce the City's public services and facilities level of service to intended residential users; and
4. Encourage flexibility in the workplace and creativity in careers by permitting home occupations.

B. Permitted Home occupation uses. The following home occupations and other operations similar in nature may be operated as an accessory use to a dwelling unit:

1. Custom dressmaking, millinery, tailoring, sewing of fabric for custom apparel and home furnishing;
2. Teaching of piano, voice or dancing, limited to a total of six pupils simultaneously;
3. Fine art studio in which are created only individual works of art;
4. Rooming and boarding of not more than four persons, exclusive of the resident family;
5. Beauty salon, provided the business is limited to the operations of two dryers;
6. Offices staffed only by resident of dwelling unit; [or](#)
7. All types of services and commercial businesses, providing they meet all of the requirements of this section after having the compatibility of the enterprises ascertained by the hearings examiner.

8. Any use not mentioned will be reviewed against the home occupation required criteria and deemed a home occupation by the Community Development Director or his/her designee.

C. Prohibited Home occupation uses. The following uses, regardless of whether they meet the standards of 17.48.130, are not permitted as home occupations:

1. Veterinary clinics, animal hospitals, or kennels;
2. Equipment rental;
3. Funeral chapels, mortuaries, or funeral homes;
4. Wedding chapels;
5. Medical or dental clinics;
6. Repair or painting of automobiles, motorcycles, trailers, boats, or other vehicles;
7. Repair of large appliances (e.g., ranges, ovens, refrigerators, washers, dryers, and the like);
8. Repair of power equipment (e.g., lawn mowers, snow blowers, chain saws, string trimmers, and the like);
9. Restaurants; and
10. Welding or metal fabrication shops.

D. Exempt. If the home occupation is limited to those activities which involve professional remote office work for a business conducted elsewhere, has no outward manifestation of the business, and no customers or employees coming to the home, it shall be considered "exempt." An exempt home occupation shall be considered an accessory use and permitted outright with no land use permit required.

Commented [RG1]: Exemption for people working from home – home offices

17.48.130 Home occupations – Required criteria.

A. Development requirements. Failure to comply with any or all of the following development standards will result in revocation of the home occupation permit. The director shall have authority to place such restrictions and conditions on the permit as deemed necessary to protect the neighborhood from any detrimental effect which may arise from the proposed use. Once a home occupation permit has been issued, it shall not be transferable to another person or location, nor shall the specified conditions be changed in any manner except upon reapplication. If after issuance of the permit, the use violates any of the conditions of the permit, or if the director otherwise finds the use to have a detrimental effect on the surrounding neighborhood, the director shall have the authority to place additional restrictions on the permit or to revoke the permit and order the use abated.

B. Criteria. All permitted home occupations shall comply with the following criteria:

1. **Business License:** All home occupations shall be required to obtain a business license as provided for in Chapter 5.01 CRMC. Consideration of a home occupation business license requires a Type I development review process, the application materials and procedures for which are provided in CRMC 17.77.040. Thereafter all home occupations

shall be required to renew the business license each year from the city clerk-treasurer's office and, upon review by an authorized representative of the city and/or fire department, shall:

- a. Either be allowed to continue if found to be conforming to this title or any conditional use requirements;
- b. Be allowed to continue with corrective modifications made by the applicant if found to be nonconforming to any requirements of this title or any conditional use requirements; or
- c. Be discontinued for cause if found to be nonconforming to this title or any conditional use requirements and, despite modifications, the use is not capable of conformance.

1.2. Annual Inspection: During the required annual inspection it shall be determined if the current conditions of the home occupation comply with those that existed at the time of original approval and the other criteria of this section. Additionally, the city clerk-treasurer or designated representative may inspect the location of the home occupation at any time during the year if there is reason to believe that the provisions of this title are not being obeyed. For example, a complaint is made against the home occupation or possible inappropriate activities are observed by city staff. If the home occupation is not in compliance with this section then the alternatives listed in subsection (A) of this section shall apply.

3. Building Code Compliance: The home occupation shall not result in an increase in the life safety hazard rating of the subject property as defined in the building and fire code. The applicant shall produce copies of a floor plan in accordance with the requirements listed in 17.77.040.

4. The home occupation is to be secondary to the main use of the dwelling as a residence or a single residential accessory building.

5. The home occupation does not generate, in excess of levels customarily found in residential neighborhoods in the City, any vibration, smoke, dust, odors, noise, electrical interference with radio or television transmission or reception, or heat or glare that is noticeable at or beyond the property line of the subject property.

2.6. No entrance to the space devoted to the home occupation other than from within the dwelling or accessory building shall be allowed except when otherwise required by law.

3.7. A maximum of two persons may be engaged in the home occupation, provided the business owner resides in the dwelling unit associated with the home occupation.

8. Window displays or sample commodities displayed outside the home or accessory structure may be permitted as a conditional use or a temporary use permit if associated with a temporary sale or event.

9. Home occupation signs shall meet the standards in 17.82.

10. No materials or mechanical equipment shall be used which will be detrimental to or cause adverse effects to the residential use of the dwelling, accessory building, adjoining dwellings, or neighbors because of vibrations, noise, dust, smoke, odor, interference with radio or television reception, or other factors.

11. No materials or commodities shall be delivered to or from the resident which are of such bulk or quantity as to require delivery by a commercial vehicle or trailer, excluding

such small delivery vehicles as the United States Postal Service, UPS, Federal Express, Pony Express and other similar services.

12. The type of use, as determined by the city director of public works, shall not be one which generates frequent customer visits, creates street-side parking problems or inconveniences to adjacent and nearby residents, or creates potential or real traffic hazards to neighborhood residents.

13. Materials, products or commodities related to the home occupation may be stored and/or operated upon any yard area of the subject residential property as a conditional use.

4.14. Fees for home occupation business licenses, conditional use permits and required inspections shall be set forth in a fee schedule as determined by the city council and/or fire department.

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. This chapter also establishes a short-term rental permit and license.
- 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.

Commented [RS1]: This section was added in order to provide flexibility to owners who are away for portions of the year. For instance, a teacher who leaves for summer vacation could list their home as an STR without worrying about meeting the stricter requirements of Type 2.

Commented [RS2]: These are rentals where you're renting an entire home, apartment, condo, or accessory dwelling unit. If desired, the Commission could move scenarios where an owner rents their ADU to Type 1. ADUs can act as affordable housing and taking them off the long-term rental market could adversely impact the community.

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 permitted residential use in any zone.

Commented [RS3]: With this, both types of STRs would be required to obtain permits. I have seen code from other communities that require permits only for more impactful STRs like Type 2.

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. 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.
- B. FEES HERE.
- C. Evidence of meeting the Washington State standards regulating Consumer Safety and Liability insurance as stated in RCW 64.37.
- D. 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.
- E. 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.)
- F. Such other information the Community Development Director or designee deems reasonably necessary to administer this chapter.

Commented [RS4]: Either explicitly state the fees or reference another section of code or ordinance. I would prefer a reference to a fee schedule since they change over time.

Commented [RS5]: This line is meant to require the applicant meet the current standards of RCW which are, at this time:
-Provide contact info to the guest.
-Installation of carbon monoxide alarms per building code.
-Posting of applicable info like address, emergency contact info, floor plan, occupancy limits in a conspicuous place.
-Obtain liability insurance of not less than one million dollars.

Commented [RS6]: This helps aid with enforcement & tracking as necessary.

Commented [RS7]: No cap applied to these types of STRs.

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.

Commented [RS8]: An example of this would be a single family home with an accessory dwelling unit in the backyard on one parcel. Only one of those units would be able to become an STR. Another example would be a fourplex on one parcel (not a condo). Only one unit would be able to become an STR.

Commented [RS9]: Added per Commissioner request. Type 2 rentals have the potential to make a large impact on the community and are thus proposed to be capped at 1% of the total housing stock which is 11 dwelling units.

Commented [RS10]: Trying to maintain neighborhood character.

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 twenty-five miles of the Castle Rock city limits.
- 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.

Commented [RS11]: These are not included in the RCW standards and are more robust requirements.

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.

Commented [RS12]: Dollar amounts from another City's code. Unsure if we should have static amounts pointed out in this code or reference to another Chapter or ordinance.

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 fail 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 effect the validity of the remaining portions of this chapter and each section, subsection, sentence, clause, or phrase thereof.

Commented [RS13]: The appeal procedure pointed out in the Administrative I process does not state where the appeal goes, it only gives guidance on where to submit said appeal.