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**TO:** Planning Commission

**FROM:** Leslie Hamilton, Senior Planner

**SUBJECT:** Short-Term Rentals – Work Session 3 (LU 18-0034)

**DATE:** August 7, 2018 **MEETING DATE:** August 13, 2018

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**ACTION**

Review requested background research, and provide input to staff on drafting amendments to the Lake Oswego Code (LOC) concerning Short-Term Rentals (STRs).

**DISCUSSION**

This is the third in a series of Planning Commission work sessions focusing on STRs. Prior work sessions were held in June and July of 2018, and the work plan approved in June identified specific topics for discussion, as identified by the City Council, at each work session (Attachment A). The following discussion addresses the four topics listed below:

- Parking
- Privacy
- Regulation/Enforcement
- Community Survey (New)

Parking: One concern is that STRs with numerous bedrooms (can accommodate large groups) and properties with more than one dwelling unit can be expected to have increased trips and cars to be accommodated on site. A related concern is traffic resulting from larger group stays. Staff has reviewed STR regulations from a number of jurisdictions and finds that identifying parking locations on-site is a common, but not universal, STR requirement. Staff has concerns about enforcement if STR hosts are required to show an additional or specific parking space on-site: would it be considered a violation if the STR guest does not park in the designated space? Or is the point of the regulation simply to illustrate potential capacity? Staff requests direction from the Commission on this topic.

Privacy: Similar to the parking issue, the City Council identified privacy as a specific topic for discussion in the STR amendment program. However, the Council did not identify a specific privacy concern. Privacy may be more of a concern where an STR is located in an accessory dwelling unit. In the recent code amendment to streamline the Accessory Dwelling Unit (ADU) permitting process, clear and objective screening standards were developed; these apply only when a detached ADU is located less than 10 feet from a property line:

- A 6-foot tall sight-obscuring wood fence shall be provided along the subject property line(s), from the ADU back to the closest side/rear property corner; and
- Where a wall that is less than 10 feet from a property line contains window(s), the window panes on that wall shall be at least 72 inches above the finished floor of the ADU.

Staff requests direction from the Commission on identifying specific privacy concerns first, then appropriate regulations if warranted.

Regulation/Enforcement: Staff has consulted with the Information Technology (IT) and Finance Departments regarding the ability to create a registry of STR hosts with information such as address, owner, and contact information. Staff believes a GIS-based application can be created that will pull the necessary information from the Business License database to create a singular list and map of STRs with associated contacts. This would be similar to the program created to track the pending Type 2 tree removal requests. The IT staff estimates that such a program could take 2-3 months to create. The STR list would be available to the public and would be a resource for contacting STR hosts if problems arise. Additionally, the Business License database can be utilized to send renewal notices on an annual basis, which would ensure that the information is current. The Business License application is included in Attachment C; this application would be amended to include STR fields, or a STR-specific business license form detailing STR regulations could be created.

Additionally, staff recommends that STR regulations identify specific violations as well as specific penalties, similar to the Tree Code. The City's Code Enforcement Specialist reports that clear identification of violations and consequences eases enforcement. The Commission may refer to LOC 55.02.125 and 130 in Attachment D as an example of clear violations and penalties. (Penalties should be sufficiently high to deter illegal STRs.)

### Community Survey

After the July work session, Planning staff was approached by two Neighborhood Association representatives about the possibility of conducting a survey of their residents about STR issues and attitudes. Staff's recommendation is to work with the Neighborhood Associations and STR representatives to create a survey that can be offered to all Lake Oswego residents to gauge interest and identify issues regarding STRs in residential neighborhoods. If the Commission

supports this approach, the work plan will be updated to accommodate the creation, dissemination, and analysis of the STR survey. Attachment B shows the potential revised work plan that incorporates the community survey.

**ATTACHMENTS**

- A. Approved Work Plan – 06/25/2018
- B. Amended Work Plan with Community Survey – 08/07/2018
- C. Business License Application form
- D. Excerpt from Tree Code, LOC Chapter 55

Staff reports/memos and public meeting materials can be found by visiting the project webpage. Use the link below to visit the City’s “Project” page.

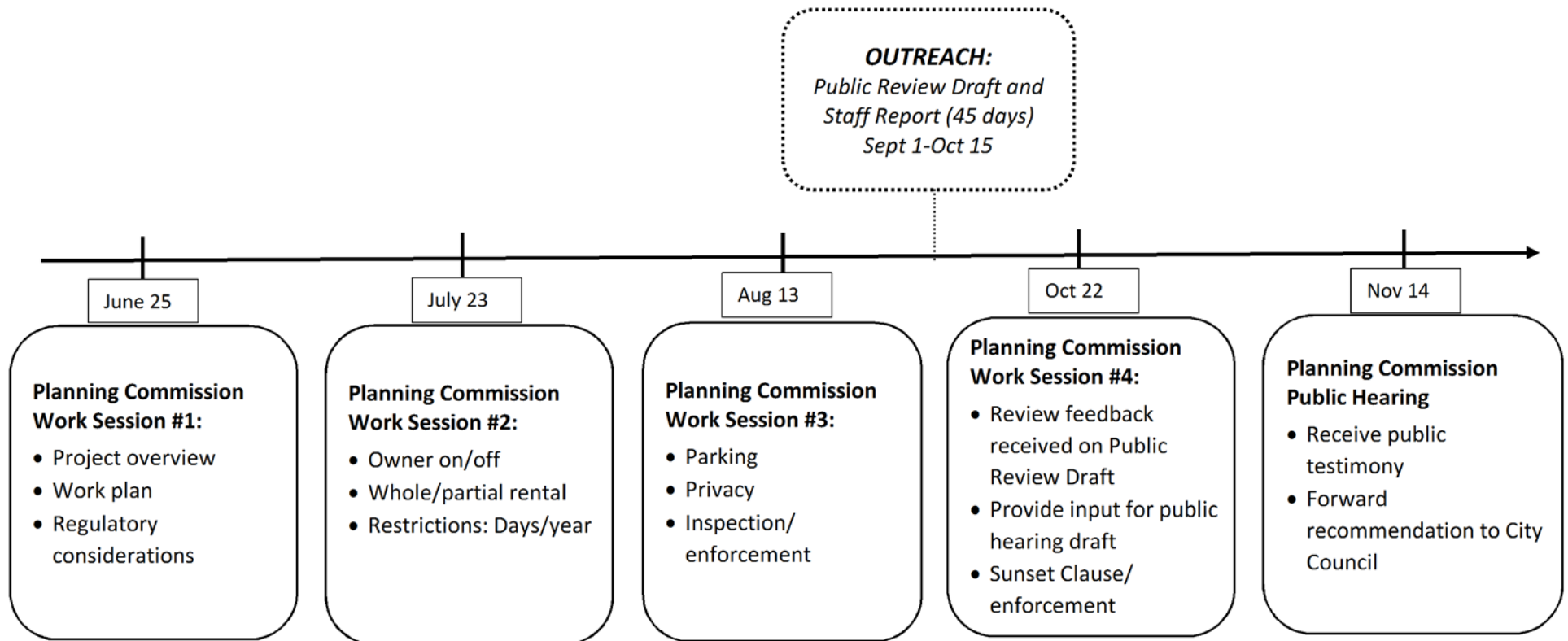
<http://www.ci.oswego.or.us/projects>

In the “Search” box enter **LU 18-0034** then press “Submit”



## Draft Process and Timeline

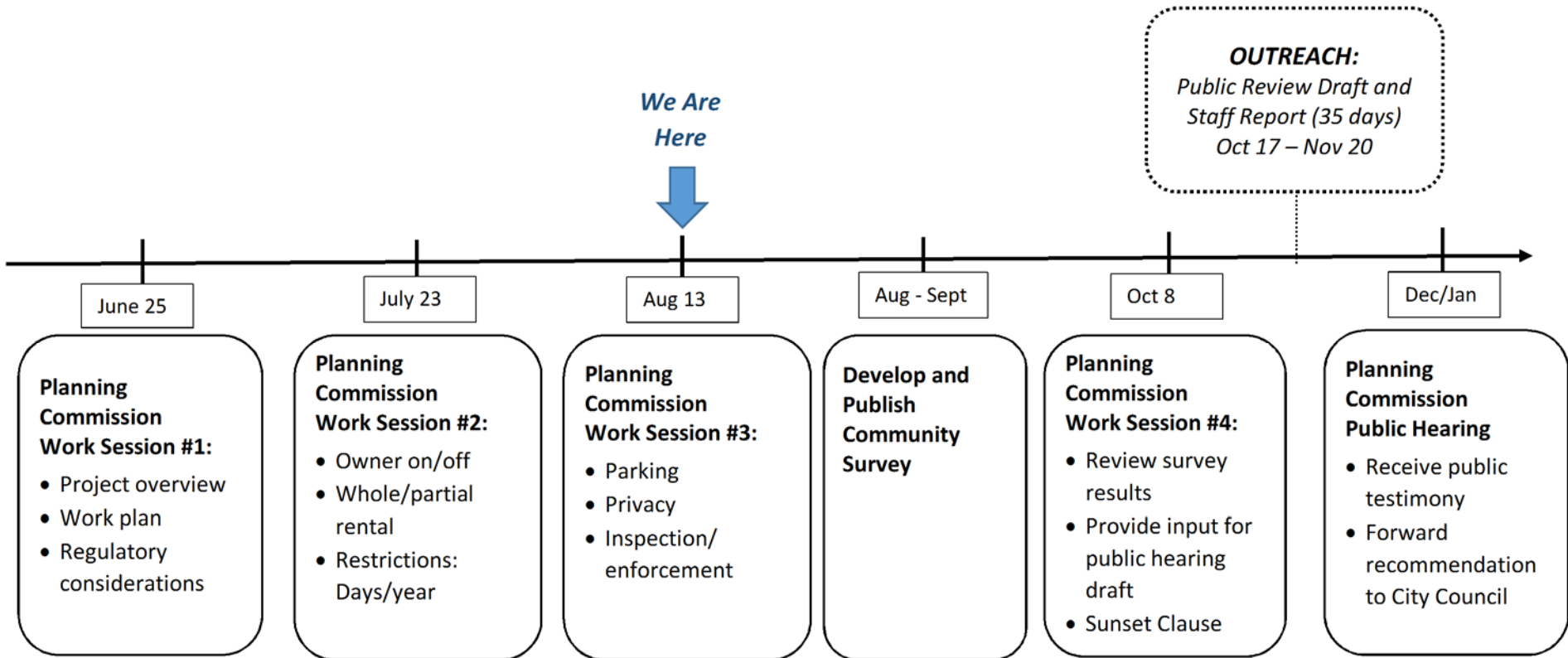
### Short-Term Rental (STR) Regulations





## Draft Process and Timeline

### Short-Term Rental (STR) Regulations









# City of Lake Oswego Business License Application

380 A Ave | PO Box 369 Lake Oswego, Oregon 97034  
Phone: 503-635-0279 | Fax: 503-699-7457  
blpayments@lakeoswego.city

**ATTACHMENT C  
LU 18-0034**

For Internal Use Only:	
License Number	_____
Date Received	_____
Received By	_____
Sent to:	<input type="radio"/> Planning <input type="radio"/> Fire
Approved:	<input type="radio"/> Yes <input type="radio"/> No

Application Date: \_\_\_\_\_

### BUSINESS INFORMATION

Business Name: \_\_\_\_\_

Property Address: \_\_\_\_\_

Mailing Address: \_\_\_\_\_

Phone Number: \_\_\_\_\_

Type of Business:  Corporation  Sole Proprietor  Partnership  LLC  Non Profit  Other: \_\_\_\_\_

Brief description of business: \_\_\_\_\_

### OWNER INFORMATION

Owner Name: \_\_\_\_\_

Phone Number: \_\_\_\_\_ Email Address: \_\_\_\_\_

Owner Name: \_\_\_\_\_

Phone Number: \_\_\_\_\_ Email Address: \_\_\_\_\_

Primary Contact Name (if different than owner): \_\_\_\_\_

Phone Number: \_\_\_\_\_ Email Address: \_\_\_\_\_

### ADDITIONAL INFORMATION

- Total number of owners and employees: \_\_\_\_\_
- Square footage occupied by business: \_\_\_\_\_
- For Salons – Number of stations: \_\_\_\_\_
- For Contractors – CCB license number: \_\_\_\_\_
- Is this business a restaurant or bar? (If yes, see page 2 for additional requirements)  Yes  No
- Is this a home based business? (If yes, see page 2 for additional requirements)  Yes  No
- Will you be doing door-to-door solicitation? (If yes, please provide a photocopy of canvassers' IDs)  Yes  No
- Does your business involve cannabis in any way?  Yes  No
- Will your business need remodeling of the premises, requiring a building permit?  Yes  No
- Will your business require a new sign or modification to an existing sign?  Yes  No
- What kind of business previously occupied this space, if any? \_\_\_\_\_
- Will your business involve the use or storage of toxic, flammable, poisonous, or potentially hazardous materials?  Yes  No
 

Material name \_\_\_\_\_ Amount on premises \_\_\_\_\_

Material name \_\_\_\_\_ Amount on premises \_\_\_\_\_

Number of people (employees, patrons, and the public) you expect in your building at any one time: \_\_\_\_\_

**RESTAURANTS AND BARS**

This establishment is primarily a:  Restaurant  Bar  
Restaurants:  Sit Down  Take Out  Serves Alcohol

- For licensing of a restaurant with liquor license, a bar, or similar use, submit the following:
1. Narrative description of proposed use, including food and beverage menus, hours of operation, and any age limits
  2. Floor plan identifying bar, bar/cocktail area seating, restaurant seating, and food preparation areas, as applicable
  3. Oregon Liquor License application as applicable
  4. Other information as needed to verify compliance with LOC 50 Community Development Code

For questions regarding these requirements, contact Paul Espe at 503-697-6577 or pespe@lakeoswego.city.

**HOME BUSINESSES**

A Home Occupation business may be conducted if the following conditions are continuously complied with (LOC 50.03.003.4.b):

1. The use does not alter the residential character of the neighborhood or infringe upon the right of residents in the vicinity to the peaceful enjoyment of the neighborhood
2. A current and valid business license is maintained
3. No employees other than family members who reside at the dwelling
4. No outside storage of goods or materials other than vegetation
5. No more than 25% of the dwelling is devoted to non-residential use

How many customers do you anticipate coming to your home on a daily basis? \_\_\_\_\_

I understand these provisions concerning home occupations and certify that my business does now and will continue to meet these provisions.

\_\_\_\_\_  
SIGNATURE OF OWNER/PRINCIPAL OFFICER

\_\_\_\_\_  
DATE

**OWNER/PRINCIPAL OFFICER SIGNATURE**

I, Owner/Principal Officer, represent that the business will be conducted during the year for which the business license is hereby applied for in conformity with all laws of the State of Oregon and ordinances of the City of Lake Oswego, Oregon.

I hereby certify that all information on this application is true, correct and complete based on all information of which I have knowledge.

\_\_\_\_\_  
SIGNATURE OF OWNER/PRINCIPAL OFFICER

\_\_\_\_\_  
DATE

**FEE SCHEDULE**

Business license application fees are non-refundable. Licenses are valid for a full 12 months once issued.

- 1-3 employees (including owners): \$80.00
- 4-10 employees (including owners): \$110.00
- 11 or more employees (including owners): \$150.00

Temporary License\*:  \$25.00 (1 week)  \$50.00 (2 weeks)

\*Temporary licenses are valid for no more than two successive weeks during a calendar year. Applicants are restricted to two temporary licenses per year.

Dates requested for temporary license: \_\_\_/\_\_\_/\_\_\_\_\_ through \_\_\_/\_\_\_/\_\_\_\_\_

**Article 55.02**  
**Tree Removal**

Sections:

- [55.02.010](#) Purpose.
- [55.02.020](#) Definitions.
- [55.02.025](#) Exempt Activities.
- [55.02.030](#) Prohibited Activities.
- [55.02.035](#) Tree Removal in Conjunction with Major or Minor Development Permit.
- [55.02.042](#) Permit Classifications and Review Procedures.
- [55.02.050](#) Application for Permits.
- [55.02.060](#) Fees.
- [55.02.072](#) Forest Management Permit.
- [55.02.080](#) Criteria for Issuance of Type II Tree Cutting Permits.
- [55.02.082](#) Staff Decision and Notice Requirements for Type II Permits and Major Forest Management Permits.
- [55.02.084](#) Mitigation Required.
- [55.02.085](#) Request for Public Hearing on a Type II Tree Cutting Permit.
- [55.02.092](#) Expiration of Tree Cutting Permits.
- [55.02.094](#) Conditions of Approval for Tree Cutting Permits.
- [55.02.125](#) Evidence of Violation.
- [55.02.130](#) Penalties.

**55.02.010 Purpose.**

The purpose of this chapter is to regulate the removal of trees, encourage and assist property owners in managing large forested properties, and prescribe preventative protection measures to avoid damage to trees during site development in order to preserve the wooded character of the City of Lake Oswego and to protect trees as a natural resource of the City.

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**55.02.125 Evidence of Violation.**

1. If a tree is removed without a tree cutting permit, a violation shall be determined by measuring the stump. A stump that is eight caliper in. or more in diameter shall be considered prima facie evidence of a violation of this chapter.
2. Removal of the stump of a tree removed without a tree cutting permit prior to the determination provided in subsection (1) of this section is a violation of this chapter.
3. Proof of violation of this chapter shall be deemed prima facie evidence that such violation is that of the owner of the property upon which the violation was committed. Prosecution of or failure to prosecute the owner shall not be deemed to relieve any other responsible person.

4. Tree removal caused by natural weather conditions shall not be deemed a violation of this chapter and shall be exempt from all penalties set forth in LOC [55.02.130](#).

**55.02.130 Penalties.**

1. Civil Violation. A violation of any provision of this chapter, or the breach of any condition of a permit granted under this chapter shall be a civil violation as defined by LOC [34.04.105](#), enforceable pursuant to LOC Article [34.04](#). The unlawful removal of each individual tree shall be a separate offense hereunder. Failure to comply with the provisions of this chapter or a condition of approval shall be a separate offense each day the failure to comply continues. The violation shall be punishable by a fine set forth by the municipal court and the enforcement fee and restoration requirements as set forth in subsections (3) and (4) of this section.
2. Nuisance Abatement. The removal of a tree in violation of this chapter is hereby declared to be a public nuisance, and may be abated by appropriate proceedings pursuant to LOC Article [34.08](#).
3. Enforcement Fee. A person who removes a tree without first obtaining a tree cutting permit from the City pursuant to this chapter, removes a tree in violation of an approved tree cutting permit, or violates a condition of an approved tree cutting permit shall pay an enforcement fee to the City in an amount as established by resolution of the City Council.
4. Restoration.
  - a. A person who removes a tree without first obtaining a required tree cutting permit from the City pursuant to this chapter, removes a tree in violation of an approved tree cutting permit, or violates a condition of such a permit shall pay into the City's tree fund a standard fee per caliper inch for the total number of caliper inches of the tree removed in violation of this chapter in an amount as established by resolution of the City Council.
  - b. The City may require the person to pay into the City's tree fund an increased fee per caliper inch for the total number of caliper inches of the tree removed in violation of this chapter in an amount as established by resolution of the City Council or the value of the tree as determined by an arborist in accordance with the methods set forth in the "Guide for Plant Appraisal," an official publication of the International Society of Arboriculture, whichever is greater, if any of the following apply:
    - i. The person has committed a previous violation of a provision of this chapter, or
    - ii. Tree protection measures as required by LOC Article [55.08](#) were not installed or maintained, or
    - iii. The tree removed was any of the following:
      - A. Thirty-six in. (caliper) in diameter or greater,

- B. A heritage tree, per LOC Article [55.06](#),
  - C. Expressly protected or required to be preserved as a condition of approval of any permit pursuant to the Lake Oswego Community Development Code, or this Tree Code,
  - D. Located within the Willamette River Greenway per LOC [50.05.009](#),
  - E. Part of an RP or RC district, or HBA protection area, per LOC [50.05.010](#),
  - F. Located on public right-of-way, City-owned or dedicated property, a public or private open space area or conservation easement.
5. Injunction. Upon request of the City Manager or direction from Council, the City Attorney may institute appropriate action in any court to enjoin the removal of trees in violation of this chapter.
6. Loss of City Privileges.
- a. A person hired to perform tree removal within the City, upon request, shall provide evidence to the City Manager of a valid license to conduct business in Lake Oswego. The person is subject to business license revocation pursuant to LOC [20.02.085](#) if the person violates any provision of this chapter.
  - b. Any arborist, builder, landscaper, contractor, or tree service that has performed any tree removal in violation of this chapter or submitted a falsified report for the criteria required in this chapter, shall not be considered a responsible bidder for any City contracts for a period of two years from the date of violation or report.
7. Arborist Report and Required Treatment. Upon request by the City, a person who violates any provision of this chapter shall submit a report prepared by an arborist or qualified forest management professional, as applicable, to evaluate the damage to a tree and/or make recommendations to remedy the violation. The City upon evaluating these recommendations may, at the City's discretion, require that the recommended measures be implemented.
8. Cumulative Remedies. The rights, remedies, and penalties provided in this chapter are cumulative, are not mutually exclusive, and are in addition to any other rights, remedies and penalties available to the City under any other provision of law.

