



CITY OF WHITE SALMON
City Council Regular Meeting – Wednesday, September 18, 2019
DRAFT

Council and Administrative Personnel Present

Council Members:

Jason Hartmann
Donna Heimke
Marla Keethler
Ashley Post
Amy Martin

Staff Present:

Pat Munyan, City Administrator
Stephanie Porter, Deputy Clerk
Ken Woodrich, City Attorney
Bill Hunsaker, Fire Chief/Building Official
Mike Hepner, Police Chief

1. Call to Order

Mayor Dave Poucher called the meeting to order at 6 p.m. There were approximately 25 people present.

2. Roll Call

All Council members present.

3. Comments – Public and Council

None.

4. Changes to the Agenda

Pat Munyan requested that an agenda item “Police Department Building Repairs” be added to the agenda after Master Service Agreement, Radcomp Technologies. There was a consensus of the council to add the agenda item.

5. Proposed Short-Term Rental Registration Ordinance

Marla Keethler provided an overview of the proposed short-term rental ordinance. She said this process is for registering short-term rentals in White Salmon. Keethler said she believes the draft ordinance is still a work in progress. She said the city council can be action taken tonight or it can send the draft ordinance back to the Community Development Committee. Keethler pointed out that the major differences in the first ordinance versus the current proposed ordinance is in the fee structure. She explained the reasoning behind the tiered structure and the intent to make the fees fair for those who rent an ADU on the property that they live in and those who have multiple rentals and use them as a main source of income. Keethler said there were some language adjustments with the intent of increasing privacy for the owners of short-term rentals. She said that some of the things discussed at the Community Development meeting were ultimately not included in the ordinance. Keethler said the ordinance does not include a proration of the tiered fee schedule depending on what time of the year the short-term rental is registered. She said that the City had moved away from proration on all other licensing processes and that is the main reason they did not include it. Keethler noted there has been discussions related to the Comprehensive Plan Update involving short-term rentals but the purpose of the proposed ordinance is to create a registration system.

Dave Poucher opened the public hearing.

Josh Coombs, 269 NW Lincoln Street, White Salmon Resident submitted an e-mail that was read into the record. He said the ordinance is overly complicated, poorly written and unnecessary. He said he lives at his home and does not have a renter. Coombs said he does not understand the huge discrepancy in fees. He asks if long term rentals would be subject to the same inspections. Coombs asked why there was a yearly registration fee if the inspection is only once every 5 years. He said the ordinance seems to be a way for the city to make money and that he feels the city staffs' time would be better spent on other projects.

Joshua Sharp, White Salmon Resident submitted an e-mail that was read into the record. He asked questions regarding the tiered fee schedule. Sharp said that it seems unnecessary to notification neighboring properties every time something changes. He recommending clarifying the revocation process and specifically suggested that all booked reservations should be honored regarding a revocation of a permit.

Lisa Evans, Anderson Road, Klickitat County Resident said she lives outside of the city limits co-hosts a few properties inside the city limits. She thanked the Community Development Committee for listening and being transparent during this process. Evans explained why she is concerned about the new regulations being discussed. She said she is a super host with Air B&B and that she considers herself an ambassador for our community. Evans said that Air B&B has strict guidelines that are rated by the guest who stay at her short-term rentals including cleanliness. She said that registration leads to regulation and regulations almost always leads to consequences. Evans said she feels the proposed ordinance has potential harmful consequences to her business. She said if she cancels one reservation, she will lose her Super Host status that she has worked so hard for. Evans said any damage to her business is also damage to the city in that they she cannot recommend our local restaurants and businesses. She said Air B&B has a regulatory system in place that is already working.

Charlton Evans, Klickitat County Resident asked if the city is planning on hiring staff to regulate and if there been a cost analysis done to see if the fees will compensate the extra costs. He asked if all businesses will be regulated like short-term rentals. Evans asked if a study has been done on the impact of short-term rentals. He said for he and his wife always recommend businesses on this side of the river to their tenants. Evans asked if there is an expectation that growth in the number of short-term rentals in our city will decrease the quality of life. He asked what behavior was witnessed that has created the need to initiate this ordinance.

John Bailey, 80 El Camino Real, White Salmon Resident said he operates a small rental room at his home through Air B&B. He said the city already requires a business license to operate a rental of any kind. Bailey said he thinks the business license process could be amended to include the necessary information for the short-term rental regulation. He said he is okay with regulations, but wants the city to be cautious not to over-regulate. Bailey said he would like to request that if the ordinance is adopted this year that the fees not be charged until after the first of the year in 2020. He said that he would like to see tier 1 include more than 60 days. Bailey said he would like to see more consistent language across all city ordinances to help with

understanding. He said Air B&B pays the taxes for registered owners. Bailey said short-term rentals bring people to the gorge, specifically to White Salmon.

Dave Hammond, Klickitat County Resident said he lives outside the city limits but he expects some of these regulations to be adopted by the county in the near future. He said he operates 3 small economy units that are seasonal. Hammond said because of the way the tiered schedule is formatted, even though he only operates his rentals seasonally, he would have to pay a higher fee than someone who operates a single rental year-round.

Jeri Jablonski, 949 SE Oak Street, White Salmon Resident said she has two short-term rentals in White Salmon. She said she is registered with Air B&B. Jablonski said her guests rate her in five different categories including cleanliness. She said that she thinks that the regulations are overboard and that the tiered structure does not make sense. Jablonski asked the city council to look at the fees and confirm that it is not a penalty for having a short-term rental.

Michael Morneault, 508 NE Center Place, White Salmon Resident said he does not have a rental. He said if the fees are discretionary. Morneault asked if the city's zoning regulates off-street parking related to short-term rentals and also asked if Air B&B addresses off-street parking.

Breff McLaughlin, 200 SW Dogwood Lane, White Salmon Resident said there is a shortage of rooms to rent in the summer months. He said that we are losing visitors because there is no place on the White Salmon side of the river to rent. McLaughlin asked if the city is addressing the lack of lodging for potential guests.

Marla said the ordinance does not address availability of rentals.

Doug Ellenberger, 62 NE O'Keefe Ave, White Salmon Resident said he owns the brew pub. He said he is for rentals in White Salmon. He said it brings people to his business. Ellenberger said White Salmon only has one hotel and it is always full. He suggested removing the 60 days in the tier one fee structure. Ellenberger said he want to see a balance in rentals to help businesses survive.

Kirby Erdley, 675 Vine Street, White Salmon Resident thanked the city council for allowing public comment on the proposed ordinance. He said he wants to make sure the city is not limiting, through the inspection criteria, what kind of experiences can be offered. Erdley said his wife and he have stayed in a variety of places including an Air Stream on the top of a mountain in California to a teepee in Eastern Oregon. He asked that the city be open to the experiences offered to those coming to White Salmon, so long as there are not safety concerns. He asked if the goal was to collect taxes and to know who is renting Short-term Rentals in town? He said that the tier structure seems steep. He asked that the city 'slide' into the fees instead of jumping into the high fees. He suggested an initial administrative fee with higher fees and then reducing the renewal fee.

Rachel Chin, 225 SE Oak Street, White Salmon Resident said she is more of a voice for residents. She said she lives next to a short-term rental and it has been a frustrating experience for her.

Chin said her concern is that people are operating a commercial business in a single-family zoned property. She said that it violates the protection of the single-family residences. Chin said there have been court cases against commercial businesses being operated in areas zoned for single-family residences and the courts ruled in favor of the single-family residence. She asked the city to consider how the ordinance will affect the single-family neighborhoods.

Tao Berman, Strawberry Mountain Road, White Salmon Resident said short-term rentals allow us to share our community with the world. He said he promotes our town. Berman said he thinks the registration process is great, but that it might be overkill. He said short-term rentals are often a seasonal business. Berman asked the city to look at the bigger picture and utilize the fee schedule to recover costs. He said Air B&B collects taxes and so there is no need for that section of the ordinance. Berman said there should not be a time frame at all for tier 1. He said that it should be \$75 per door rather than the tiers. He said this would eliminate people being able to use a LLC and different ownership to get around the higher paying tiers. Berman asked what the discretionary fees are for. He asked if the hotel would also be required to pay the short-term rental fees. Berman said he would recommend a noise ordinance should be implemented so that anyone creating a noise disturbance at a property can be fined. He said the notices should only need to be sent out once, not annually. Berman said the 5-year inspections should not be required. He suggested there should only be a reinspection if there are complaints about the property.

Tom Stevenson, Jewett Blvd, White Salmon Resident said he has seen Air B&B and other short-term rental companies as classic disrupters, especially in a single-family neighborhood. He said he does not want to see White Salmon become Hood River. Stevenson said he believes that Air B&B has set up a situation that will reduce long term affordable housing. He said it promotes vacant homes during off seasons. Stevenson said the city is better off not allowing short-term rentals until a firm plan is in place. He said that we should learn from Hood River's mistakes. He said it is the worst thing to allow because it will hurt affordable housing.

Susan Svensson, Spring Street, White Salmon Resident said she does not support short-term rentals. She said she would like to see a grandfathered period where people are not charged a short-term rental license and information is recorded. Svensson said that there are a number of rentals that are active in the summer by vacant in the winter.

David Dierck, White Salmon Resident said that he is not here as a representative of the hotel, but as a resident. He said that he does not see how a commercial business can legally operate in a residential zone. Dierck said he is concerned about affordable housing. He said that he would recommend that the ordinance not be passed tonight. He asked that the City Council and the Community Development Committee decide what percentage of the city they want to be short-term rentals.

John Bailey, 80 El Camino Real, White Salmon Resident said asked the City Council look at adding a tier between Tier 1 and Tier 2. He said that he wants to make sure all different options are covered.

Kirby Erdley, 675 Vine Street, White Salmon Resident said he does not have a short-term rental. He said he does have a long-term rental. He said his mom lives next to a long-term rental that Insitu sublets on a short-term basis year round. Erdley suggested the city rentals that are rented by companies and essentially used for short-term housing for people coming in and training. He said he sees new people coming into the home daily at the rental next to his mothers' home in White Salmon.

Dave Poucher, Mayor asked if long-term rentals that are being sublet are addressed through the ordinance. Marla Keethler said it has been discussed but believes it is a separate issue from this ordinance. Dave Poucher asked that it be a priority in finding out how many long-term rentals are being sublet on a short-term basis.

Michael Morneault, 508 NE Center Street, White Salmon Resident asked if the Community Development Committee has members that are both residents with short-term rentals and residents without short-term rentals.

Tom Stevenson, Jewett Blvd, White Salmon Resident said that once a rental is used as a short-term rental it takes away a potential long-term rental. He said there is more profit in short-term rentals. Stevenson said accessory dwelling units (ADUs) should only be allowed if the property owner is living in the main home. He said there should be more variety on the Community Development Committee who is reviewing the ordinance. He said once the city allows short-term rentals it will be hard to take it away.

Kyle Jones, Snohomish Street, White Salmon Resident said he has a long-term rental out of his accessory dwelling unit. He said he feels there is nothing wrong with short-term rentals. Jones said he agrees that the fee schedule is a bit high. He said he liked the idea of scaling the number of short-term rentals in proportion to the size of the city. Jones said he heard Dave Poucher on the radio that there will be a time down the road when short-term rentals will not be allowed in non-commercial zones.

Tao Berman, Strawberry Mountain Road, White Salmon Resident said he is not planning on making any of his long-term rentals into short-term rentals. He said the steady income from the long-term rentals evens out the seasonal nature of the short-term rentals. Berman said the Council can decide to make a change if they believe they have moved in the wrong direction. He said most of his friends that use their homes as a short-term rental do so because they use it for family and friends throughout the year. Berman said if they did not use it for a short-term rental, it would not be used for a long-term rental.

The public hearing was closed by David Poucher.

Council Discussion

Marla Keethler said the city is not trying to make a declaration on whether or not short-term rentals are good or bad. She said the goal of the tiered structure is to recoup expenses that would be placed on the city. Keethler said additional staff will not be hired to work on short-term rentals. Keethler said the intention of the tiered fee system was to encourage those who are using short-term rentals as a business in White Salmon to have responsibility for the

business, especially if they do not live in White Salmon. She said the intention of the ordinance is to see short term rentals as members of our community and not as a villain. Keethler said the issue of affordable housing is a whole different web to untangle. She said there are members of the public seated on the Community Development Committee. Keethler said there is a member that has great knowledge surrounding community housing and the use of long-term rentals by companies.

Donna Heimke said she thinks the ordinance is not ready to be adopted. She said that the tiered system needs to be evaluated. Heimke said she would like to see the initial fee be more and the renewal each year be less than the original fee. She said the locations where short-term rentals will be allowed needs to be addressed.

Ashley Post said the rental owners that came to the meeting tonight are responsible business owners. She said there are many rental owners who are not responsible owners. Post said this ordinance is also meant to protect those in the community if there is an owner not following the proper procedures. She asked what are other sites other than Air B&B that that are used to manage or list a short-term rentals.

Amy Martin said she sees many short-term rentals listed on Craigslist.

Marla Keethler said that the state has passed a law that requires that any short-term rental properties remit the appropriate taxes to the proper government authorities. She said the people listing on Air B&B are typically in compliance with all the laws. Keethler said the goal is to reach those who are not currently taking the proper steps to follow the laws regarding their short-term rentals.

Donna Heimke asked if we can make an intentional out-reach to those who live next to short-term rentals.

Marla Keethler said as someone who lives next to many short-term rentals, she said parking is a major issue. She said the city has a noise ordinance. Keethler said state law does require that all applicable good neighbor type laws are required to be posted in the rental.

The Council discussed how to reach the community regarding short-term rentals.

Ashley Post asked if the administrative burden on the city staff would be too much, specifically the reminder notices that go out in December to be renewed in January.

Stephanie Porter said the city already sends out reminders for animal and susiness Licenses in January and does not believe adding these reminders will create an additional burden.

Stephanie Porter said she does appreciate the clarification of areas such as parking and noise within the ordinance because it gives the city greater ability, in regard to enforcement, to help our residents that are struggling with a disruptive renter in a short-term rental.

Jason Hartmann said he thinks the city should only require a short-term rental license and not a business license. He asked about the legality of allowing a commercial business in a residential neighborhood.

Ken Woodrich said the neighbor notification should only be the initial notification and if the contact information changes. He said the fee structure should be adopted by resolution so that it can be changed without having to be republished each time. Woodrich said it would still be available to the public. He said that he believes that the initial application fee should be substantially more than the annual renewal fee in accordance with how the work affects staff time. Woodrich said not all rentals are governed by the reviews of Air B&B and other registered short-term rental sites. He said the objective of the ordinance is to make sure any property being used as a short-term rental is meeting the minimum standards for the safety of those people staying in the rentals but also the neighbors and the community at large. Woodrich suggested the ordinance include prime lessees like Insitu by including them as homeowners. He said that can be done by saying that individuals or companies that are prime lessees are included as owners in the definition of owners in the ordinance. Woodrich said under state law any owner running a single property with three or more units with adjoining walls is considered a hotel and they should be governed as a hotel under law.

Ashley Post asked what happens if the prime lessee is not charging the guests staying in the property.

Dave Poucher said that if the company is collecting fees for the class that the housing is usually included in that and therefore, they are receiving money in exchange for rooms. He said they should be included in this ordinance.

Ken Woodrich said he can work on drafting language regarding the subletting of long-term rentals as short-term rentals into the ordinance. He said the discretionary fee is a tool to pass along costs incurred by the city related to short-term rentals to the owner of the property.

Ashley Post asked about Good Neighbor Guidelines.

Marla Keether said they will be provided the next time the ordinance is brought to City Council.

Ashley Post said she would like to see under the Violation and Penalties section, a 30-day filing period instead of a 14-day filing period.

Dave Poucher said that in the case of a revocation, the city needs to allow any standing reservation to be allowed as not to inconvenience the traveler.

Ashley Post said that she would like to see more tiers to encompass all potential situations.

Jason Hartmann said that he thinks we should remove the 60-day limit in tier 1.

Marla Keethler clarified that currently there is a business license and a rental license.

Jason Hartmann said he would like to see one license for short term rentals, not having to pay for both licenses.

Marla Keethler said that she would like to reevaluate the tiered fee schedule. She said she feels the council should look at what the goal is with the tiered schedule. Keethler said Seattle's fee is \$75 per rental unit.

Donna Heimke said that she is thankful for the work the Community Operation Committee is doing. She said she agrees with the removal of the word immediate in the revocation section. Heimke says it sounds more friendly.

Marla Keethler said she plans to reevaluate the definition of dwelling unit under the short-term rental ordinance.

Bill Hunsaker said many of the unconventional dwelling units are already regulated by the city including RV's and teepees.

Marla Keethler said the other things the Community Development Committee is going to address are longer filing periods, honoring standing reservations and how to regulate public access to the registration list.

Ashley Post said she would like the Community Development Committee to consider redefining the tiers and adjusting the initial filing application fee to a larger fee and then the renewal fee being less.

There was a consensus of the City Council to send the proposed ordinance back to the Community Development Committee for revisions.

(Mayor Poucher called for a 2-minute break)

6. Employment Contract – Public Works Operation Manager, Russell Avery

Pat Munyan presented information to the City Council regarding the proposed contract with Russell Avery. He said staff is recommending authorization of the employment contract with Russell Avery for the position of Public Works Operations Manager.

Moved by Amy Martin. Seconded by Donna Heimke.

Discussion:

Pat Munyan said the city received four applications that were qualified applicants. He discussed Russell Avery's qualifications for the position and the interview process.

Ashley Post said that there were overlapping dates on his employment history.

Pat Munyan said this was a typing error. He said he contacted all previous employers and Russell Avery comes highly recommended.

Ashley Post asked if we will offer him any training for road standards and park standards.

Pat Munyan said that will be learned on the job. He said that Avery has worked on streets previously.

Motion to approve the Employment Contract for Public Works Operation Manager, Russell Avery. CARRIED 5-0.

7. Resolution 2019-09-491, Declaring Local Emergency for the 14-Inch Water Main

Pat Munyan stated that in the future there needs to be better communication between Mayor and Mayor Pro Tempe to avoid both parties being out of town at the same time. He said that if there is need for both parties to be out of town at the same time, there is a process to appoint someone temporarily in case of an emergency during that time.

Pat Munyan discussed the issues on the 14-inch main line. He said there is no way to directly repair the main line without the city being out of water for 48 hours. Munyan said he made the decision reroute the pipe which will allow the work to happen in a quicker amount of time because most work can be completed before the water is turned off. He said the main line will have to be shut off for a 13-hour period of time on September 24, 2019. He said everything should be completed by September 25, 2019.

Ken Woodrich asked if the work had been completed.

Pat Munyan said everything is in the ground.

Ken Woodrich said he recommends that in section 2 of the Resolution the wording be changed to the following: "...the city is authorized to waive competitive bidding and to enter into contract."

Moved by Donna Heimke. Seconded by Amy Martin.

Motion to adopt Resolution 2019-09-491, Declaring Local Emergency for the 14-Inch Water Main with corrections. CARRIED 5-0.

8. Master Service Agreement, Radcomp Technologies

Steve Scherling from Radcomp Technology provided information regarding the Master Service Agreement. He stated that due to some lawsuits that were filed against Radcomp this last year, there was a need to update and offer better protection for the company through the Master Service Agreement. Scherling said he believes this contract will offer better protection for both the company and the city.

Ken Woodrich said the contract is one sided. He said the advantage is it has a short termination period. Woodrich cautioned the city against signing it due to the following issues: 1) enforceability is questionable due to references to sub agreements that do not yet exist, 2) there are multiple disclaimers regarding warranties, specifically about the warranties not being valid, and 3) an indemnification clause against any loss of data.

The Master Service Agreement was tabled for Ken Woodrich, City Attorney to contact Radcomp Technology’s attorney regarding the areas he has concerns about.

9. Police Department Building Repairs

Pat Munyan said recent rain events created a problem with water damage at the Police Department. He said the problem is in the back of the building where the roof slants and the drain is not large enough to catch the run-off. Munyan said he is requesting the appropriate repairs be made to correct the drainage in the back of the building. He said the estimate cost for the drain system is \$34,000. Munyan said he is also asking that the council also consider completing the outside of the building adding the concrete pad to the side of the building and ADA access in the front of the building. He said this would save us money by being completed at the same time rather than paying for each project separately. Munyan said his recommendation is that the city complete both projects.

Ashley Post asked what the timeline is for these to be done.

Pat Munyan said that it would have to be done in the next 60 days.

Mike Hepner said that he would like to see both projects done at once.

Ashley Post said that she thinks the ADA requirements are a priority.

Dave Poucher said it would be a budget amendment, but the funds are available.

Pat Munyan said the estimate for both jobs to be completed is \$80,000.

***Motion: Amy Martin, Seconded Donna Heimke
 Motion to authorize the city to go out to bid for the Police Department building repairs of the drainage system in the back of the building and the other repairs to complete the building including the ADA ramp in the front. CARRIED 5-0.***

10. Consent Agenda

- a. Approval of Minutes – September 04, 2019
- b. Approval of Vouchers.

Vouchers audited and certified as required by RCW 42.24.080 and expense reimbursement claims as required by RCW 42.24.090 as of this 18th day of September, 2019.

Type	Date	From	To	Amount
Claims	09/18/2019	35358	35405	225,701.37
		EFT	EFT	13,343.14
			Claims Total	239,044.51
Payroll	09/18/2019	35357	35357	250.00
		EFT	EFT	61,355.52
			Payroll Total	61,605.52

Manual Claims	09/05/2019	EFT	EFT	1,713.21
	09/06/2019	EFT	EFT	514.07
	09/09/2019	35356	35356	3,193.00
			Manual Total	5,420.28
			Total All Vouchers	306,070.31

Moved by Jason Hartmann. Seconded by Donna Heimke.

Discussion:

Ashley Post requested the following correction to the Staff report section:

Replace “Ashley Post asked if the city has a ‘savings account’ for specific projects.” with “Ashley Post said that the city ops committee has been discussing replacing the play equipment at Rhinegarten Park and is requesting funds in the 2020 budget for hiring a park designer in the hope of replacing the equipment in 2021. She said that City Operations Committee would present the potential vision for the park, at a later time. She also said that the city ops committee has reopened discussion of a trail system to safely connect loop road. She stated that the committee has discussed annually setting aside City funds to save toward the completion of this project.”.

Marla Keethler asked for a correction within the consent agenda to change the number 9 to 0. It should read: “Marla Keethler noted that the vote on the city hall exterior should reflect that it carried 3 to 0 with Marla Keethler abstaining.”

Motion to approve consent agenda with correction to the minutes. CARRIED 5-0.

Motion to amend the motion to approve consent agenda with correction to the minutes. CARRIED 5-0.

12. Department Head and Committee Reports

Mike Hepner, Police Chief said Kate Daniels is in field training. He said both cities are safe.

Patrick Munyan, City Administrator said he is working on a conditional use permit.

Bill Hunsaker, Fire Chief / Building Inspector said the Fire Department served 370 people at the Fireman’s Breakfast during Huckleberry Festival. He said the burn ban is still on until October 1, 2019. Hunsaker said small fire pits are allowed as long as they are within regulation unless the burn ban is in effect.

Jason Hartmann, Council Member said the City Hall design has been decided including colors and rock.

Marla Keethler, Council Member said the at the last Community Development Committee meeting parking regulations were discussed. She asked if White Salmon is part of the Washington Clean Air Act.

Bill Hunsaker said that we are not a part of the Clean Air Act and are not required to comply. He said the city is not required to meet the standards because of the community's size. Hunsaker said our area has been recognized as having clean air. He said we are not in violation of the Clean Air Act but cannot be recognized because we do allow burning with a permit. Hunsaker said most of the smoke and air quality issues come from larger fires in surrounding counties and states.

Ashley Post, Council Member said Tree Board did not meet this month. She said they are focusing on amending the Critical Areas Ordinance regarding trees. Post said the Board is working on an RFP for hiring an arborist to complete tree maintenance. She discussed the speed limit and pending crosswalks. She said the speed limit will be reduced up to Dock Grade Road which she felt was a good compromise.

Dave Poucher said that he would like to see the next Mayor push back on Washington Department of Transportation regarding safety.

Ashley Post said she would like to start looking into a safe route beginning at Garfield going down Hwy 141 West. She said there is a bus stop on Garfield and young kids are walking from the bus stop to their house and it is not currently a safe path to take.

Donna Heimke, Council Member said there is a budget meeting on Monday to discuss the preliminary 2020 Budget.

David Poucher, Mayor said Governor Jay Inslee was at Republic Service dedicating the new electric plant and he recognized Klickitat County as the greenest county in the state.

13. Adjournment

The meeting adjourned at 8:52 p.m.

David Poucher, Mayor

Jan Brending, Clerk Treasurer