

## MEMORANDUM

DATE: Mar 4, 2013

TO: Record

FROM: Jeff Rowe, Deputy Director, DCD

Cc: Scott Diener, Manager, Policy and Planning, DCD

RE: Director's Administrative Interpretation Vacation Rentals

Recently, there has been an increase in 'vacation rental' uses in Kitsap County. A vacation rental is typically a residential unit that is being rented to others on a short-term, transient basis. Currently, vacation rentals are unregulated and Kitsap County collects no bed or transient tax on vacation rentals.

## Background

Kitsap County does not currently regulate vacation rentals under its zoning code. Chapter 17.381 KCC 17(Allowed Uses) does, however, regulate other uses that are may be similar (e.g., Bed and Breakfasts). Further, KCC 17.100.040 (Allowed Uses) gives the Director the authority to determine what a use of property is, for regulation, when not listed in in chapter 17.381 KCC. Under KCC 17.100.040, the Director may allow or conditionally allow the use if it meets 'similarity' tests to listed uses.

Department of Community Development (DCD) is increasingly seeing vacation rentals that are also being used for other commercial venues. These uses include wedding venues, corporate retreats, conferences, and perhaps other uses not known at this time. Each of these uses by themselves would normally require review for permissibility, impacts and permitting.

## Administrative Interpretation

The Director of DCD is authorized to interpret code under KCC 21.04.040 Administration and Interpretation. The Director finds that the unregulated nature of the vacation rentals has led to situations where a property owner may believe that a use is permitted under the auspice of a 'vacation rental' when, in reality, the use requires further review and possible permitting or even prohibition. An Administrative Interpretation is being provided herein to clarify what qualifies as a 'vacation rental,' as distinguished from other commercial activities:

**Vacation rental** means a property with a dwelling unit intended for permanent occupancy that is occupied by any person other than the primary owner for transient use; or is otherwise occupied or utilized on a transient basis. Vacation rental does not include, a bed and breakfast house, wedding venues, corporate retreats, conference settings, retail operations or other uses that are regulated in accordance with Kitsap County Code, including chapters 17.381 and 17.100.040.