

**CITY OF SPOKANE PLAN COMMISSION
FINDINGS OF FACT, CONCLUSIONS, AND RECOMMENDATIONS
REGARDING SHAPING SPOKANE HOUSING TEXT AMENDMENTS
TO SHORT-TERM RENTALS**

A recommendation of the City of Spokane Plan Commission to the City Council to approve amendments to the Spokane Municipal Code proposed by Shaping Spokane Housing text amendments. The proposal amends the Unified Development Code (UDC) Chapter 17C.316, Short Term Rentals.

FINDINGS OF FACT:

- A. The City of Spokane adopted a Comprehensive Plan in May of 2001 that complies with the requirements of the Growth Management Act (GMA) as set forth in RCW 36.70A, including a housing element meeting the requirements of RCW 36.70A.070(2).
- B. On July 26, 2021, Resolution 2021-0062 adopted the City of Spokane Housing Action Plan as a guide for future housing planning, policy development, and regulatory and programmatic implementation measures that increase housing options that are affordable and accessible for people and families of all incomes in the City, including the Implementation Plan included as Appendix A that outlines several strategies and policies to address short-term rental units in the City.
- C. The City's civic engagement contractor, Granicus, has pulled short-term rental listings from the vacation rental platforms licensed in Washington State and determined that there are short-term rentals operating in zoning districts which do not currently allow a short-term rental use.
- D. Outreach and public communication began in November 2021, reaching nearly 400 residents, and included the following, among other community touch points:
 1. Presentations at the Land Use Subcommittee on November 18, 2021; February 17, 2022; and April 21, 2022;
 2. In-person booth at the Riverfront Park Winter Market on December 15 and 22, 2021;
 3. Presentation at Community Assembly on January 6, 2022;
 4. Presentation at Lincoln Heights Neighborhood Council on January 18, 2022;
 5. Virtual open houses on January 25 and 27, 2022;
 6. Presentation to the West Hills Neighborhood Council on April 12, 2022;
 7. Presentations at University District Development Committee and the West Hills Neighborhood Council on April 12, 2022;
 8. In-person booth at the Riverfront Park Spring Market on April 6, 13, 20, and 27, 2022;
 9. In-person open house on April 11 and a virtual open house on April 13, 2023; and
 10. Inclusion in the Community Assembly agenda packet for June 1, 2023.
- E. Public comment, as well as agency comments, received prior to the May 10, 2023, Plan Commission public hearing were included in the staff report as Exhibit D.

- F. On November 10, 2021, January 12, 2022, February 22, 2023, and April 26, 2023, the Spokane Plan Commission held workshops to discuss draft language, receive updates on draft language and public outreach, and review and evaluate with city staff alternatives to proposed text changes.
- G. On March 2, 2023, the Washington State Department of Commerce and appropriate state agencies received the required 60-day notice before adoption of proposed changes to the Unified Development Code pursuant to RCW 36.70A.106.
- H. On April 24, 2023, a notice of intent to adopt and request for SEPA agency comments was issued for the draft code pertaining to short-term rentals and the concurrent fee changes. A State Environmental Protection Act (SEPA) Determination of Nonsignificance and Checklist were issued by Planning Services on April 24, 2023. The comment period ended on May 9, 2023. The Spokane Tribe of Indians issued comment noting project actions may require case by case cultural surveys.
- I. A legal notice of public hearing was published in the *Spokesman-Review* on April 26 and May 3, 2023.
- J. The proposed text amendments were drafted and reviewed pursuant to the process established under RCW 36.70A.370 to ensure that the proposed changes will not result in unconstitutional takings of private property.
- K. Amendments to Title 17 are subject to review and recommendation by the Plan Commission.
- L. The Plan Commission held a public hearing on May 10, 2023 to obtain public comments on the proposed amendments.
- M. During deliberations held on May 10, 2023, the Plan Commission voted to modify the proposed text in 17C.316.040.B concerning maximum number of short-term rental units permitted in structures in residential zones. Plan Commission directed staff to allow one or both dwelling units of a duplex to allow a short-term rental. Additionally, Plan Commission directed staff to strike text noting that a short-term rental in an accessory dwelling unit counts towards the maximum short-term rental units permitted. The motion passed unanimously.
 - 1. For the corresponding regulation of maximum short-term rental units in non-residential zones, Plan Commission directed staff to similarly allow one or both units of a duplex to have short-term rental units, and to strike text counting a short-term rental unit in an accessory dwelling unit towards the maximum allowed. This motion passed unanimously.
- N. During deliberations the Plan Commission indicated the preference to remove residential appearance requirements that would require no internal or external alterations that could make a residential structure less residential in nature, instead allowing that to be governed by other sections of the Spokane Municipal Code and directed staff to remove this language. The motion passed unanimously.

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1. The corresponding requirement about maintaining the residential nature of a structure was removed for short-term rental units in non-residential zones as well, with Plan Commission noting that such changes would not be impactful in zones that are not residential in nature. The motion passed unanimously.
- O. During deliberations the Plan Commission discussed the proposed notification requirement for short-term rentals in non-residential zones. Given that in the Downtown Core zone, and other zones where lots may be part of a condominium plat or very small, notification to adjacent property owners was deemed onerous on applicants. Plan Commission directed staff to remove the short-term rental notification requirement for permits in non-residential zoning districts. The motion passed unanimously.
 - P. Except as otherwise indicated in the above findings, the Spokane Plan Commission adopts the findings and analysis set forth in the staff report prepared for the proposal.
 - Q. The Spokane Plan Commission finds that the proposed text amendments meet the decision criteria established in SMC 17G.025.010(G).

CONCLUSIONS:

Based upon the draft text amendments, staff report and analysis (which is hereby incorporated into these findings, conclusions, and recommendations), SEPA review, agency and public comments received, and public testimony presented, the Spokane Plan Commission makes the following conclusions with respect to the text amendments to short-term rentals:

1. The Plan Commission finds that the proposed amendments bear a substantial relation to the public health, safety, welfare, and protection of the environment pursuant to the requirements outlined in SMC 17G.025.010(G).
2. The proposed regulations create a path to compliance for short-term rental units currently operating in zoning districts which do not permit the use, and clarify regulation of short-term rental units for both residential and non-residential zoning districts.
3. Interested agencies and the public have had extensive opportunities to participate throughout the process and persons desiring to comment were given an opportunity to comment.
4. SEPA review was completed for the proposal, and pursuant to SEPA, any adverse environmental impacts associated with the draft regulations will be mitigated by enforcement of the City's development regulations.
5. The Plan Commission finds that the proposed amendments are consistent with the applicable provisions of the Comprehensive Plan, particularly the following adopted Shaping Spokane goals and policies:
 - a. Neighborhood Goal N 1 – The Downtown Neighborhood;
 - b. Economic Development Policy ED 3.10 – Downtown Spokane;
 - c. Urban Design and Historic Preservation Goal DP 4.1 – Downtown Residents and Workers;
 - d. Economic Development Policy ED 8.3 – Recreation and Tourism Promotion;
 - e. Housing Goal H 1 – Housing Choice and Diversity;
 - f. Housing Policy H 1.21 – Development of Single-Room Occupancy Housing.

RECOMMENDATION:

In the matter of the ordinance pertaining to short-term rentals, amending the Unified Development Code of the City of Spokane;

As based on the above listed findings and conclusions, the Spokane Plan Commission takes the following actions:

1. By a unanimous vote, recommends to the Spokane City Council the **APPROVAL** of the proposed amendments to Chapter 17C.316, Short Term Rentals.
2. Authorizes the President to prepare and sign on the Commission's behalf a written decision setting forth the Plan Commission's findings, conclusions, and recommendations on the proposed amendments.

Greg Francis

[Greg Francis \(May 18, 2023 21:29 PDT\)](#)

Greg Francis, President
Spokane Plan Commission

May 18, 2023

2023-05-10_PC Findings and Conclusions_STRs

Final Audit Report

2023-05-19

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