NONPROJECT DETERMINATION OF NONSIGNIFICANCE

FILE NO(s): Housing Action Plan Code Changes Phase 2 – Short-term Rentals

PROONENT: City of Spokane

DESCRIPTION OF PROPOSAL:
Continuing the series of City initiated development code amendments to the Unified Development Code (UDC) under the Shaping Spokane Housing program, city staff have prepared a new draft code amendment that updates Chapter 17C.316, Short-term Rentals. Given that for sale and for rent housing units have been constrained locally for the past several years, the proposed code amendment takes action on the following Housing Action Plan strategy:

• B5, “Study the local short-term rental market to reduce impact on housing affordability, neighborhood identity, and displacement.”

As well as the following City Council HAP Implementation Plan strategies:

• Strategy 1.5, “Contract with a vendor to track real-time use of housing in the City as short-term rentals and enforce compliance with City business license laws.”
• Strategy 2.6, “Consider imposing an excise tax on short-term rental gross receipts to support housing programs that mitigate displacement of regular rental units.”
• Strategy 2.7, “Expand allowable zones for short-term rentals to match current actual usage to improve licensing compliance.”

A concurrent code amendment will increase inspection fees to cover annual fire inspections for life and safety purposes, as outlined in 08.02.034 SMC, as well as updating zoning permit fees in 08.02.066. Clarification on excise tax collection will be added to Section 08.08.010, and a new Section 08.08.025, Short-term Rental Platform Fee, will be added with these amendments.

This proposal will amend Spokane Municipal Code (SMC): 17C.316.010, 17C.316.020; 17C.316.030; 17C.316.040; 17C.316.050; and 17C.316.060 to update regulations with the changing nature of short-term rental uses and to create a path to compliance for existing units operating without a permit. Concurrent amendments to fees will be made in Sections 08.02.034 and 08.02.066, as well as Section 08.08.010 and adding a new Section 08.08.025, Short-term Rental Platform Fee The exact amendments to the code are available online at the following address: https://my.spokanecity.org/projects/shaping-spokane-housing/hap-phase-two/.

LOCATION OF PROPOSAL, INCLUDING STREET ADDRESS, IF ANY: This proposal has a City-wide impact

LEAD AGENCY: City of Spokane
DETERMINATION:
The lead agency for this proposal has determined that it does not have a probable significant adverse impact on the environment. An Environmental Impact Statement (EIS) is not required under RCW 43.21C.030(2)(c). This decision was made after review of a completed environmental checklist and other information on file with the lead agency. This information is available to the public upon request.

[ ] There is no comment period for this DNS.

[ ] This DNS is issued after using the optional DNS process in section 197-11-355 WAC. There is no further comment period on the DNS.

[ X ] This DNS is issued under 197-11-340(2); the lead agency will not act on this proposal for at least 14 days from the date of issuance (below). Comments regarding this DNS must be submitted no later than **12:00 p.m. on May 9, 2023** if they are intended to alter the DNS.

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Responsible Official: Spencer Gardner                                      Position/Title: Director, Planning Services

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Date Issued: April 24, 2023                                             Signature: [Signature]

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