



SHORT TERM RENTAL REGULATIONS IN SISTERS

Effective **December 31, 2018**, owners of existing and new Short Term Rentals (STRs) will be subject to new STR regulations. The following is a summary of the regulations. For more information, please visit: <https://www.ci.sisters.or.us/community-development/page/short-term-rental-program>.

Land Use Permit Requirement

- A land use permit is required for all STR properties
- An STR property is a *residential dwelling unit* used for short term occupation (less than 30 consecutive days). Commercial units (i.e. hotels and motels) are not considered STRs.
- New STRs established on or after 12/31/18 cannot be located within 250' of an existing STR (except for condominiums and properties located in the DC zone).
- Land Use Permits for STRs established on or after 12/31/18 cannot be transferred to a new owner. Land Use Permits for existing STRs (STRs established on or prior to 12/28/18) are transferable to new property owners *IF* the new property owner obtains an STR Operating License within 60 days of purchasing the property.

Initial STR Operating License

All existing and new STR owners are required to obtain an STR Operating License for each STR unit they own. An STR Operating License is a type of Business License. STR **property owners** are required to obtain a Business License (\$105, prorated quarterly) with a supplemental STR Operating License (Business License Attachment 1) and pay the required supplemental fee for each STR unit (\$100/STR unit, not prorated quarterly).

- **Existing Vacation Rentals.** Owners of existing Short Term Rentals have until **June 30th, 2019** to apply for an STR Operating License.
- **New Short Term Rentals.** Owners of new Short Term Rentals (STRs applied for on or after 12/31/18) have **60 days** from when their Land Use decision is issued to obtain an STR Operating License.

If an operating license is not applied for within the time period outlined above or is not renewed annually, the land use permit will become void due to abandonment of use.

License Maintenance

- Renew your license annually by submitting a complete Renewal Application & fees.
- Remit Transient Room Tax as proof of use.

SHORT TERM RENTAL PROGRAM FREQUENTLY ASKED QUESTIONS

What is a Short Term Rental?

The use of a residential dwelling unit (or a habitable portion of a dwelling unit) by any person or group of persons entitled to occupy the dwelling unit for rent for a period of less than thirty (30) consecutive days. Short-term rental(s) also means a Vacation Rental approved under the regulations in effect through December 28, 2018. "Short-term rentals" do not include commercial properties (i.e. hotels and/or motels).

Are Vacation Home Rentals and Short Term Rentals the same thing?

Yes. Short Term Rentals include: properties holding a Short Term Rental permit issued under the current Development Code (i.e. application filed after December 28, 2018), properties holding a Vacation Home Rental permit issued under the prior Development Code (i.e. application filed on or before December 31, 2018), and documented "prior existing uses" as defined under SDC 2.15.2700(J).

What must I do to keep my existing Vacation Rental permit issued under the prior Development Code?

Existing Vacation Rentals (i.e. applications filed on or before December 28, 2018) are now legal non-conforming uses and may continue to operate as long as: Property owners use the property as a short-term rental at least once every 12 months. Property owners obtain and maintain an annual operating license.

Will my existing Vacation Rental permit issued under the prior Development Code run with the land if I sell my property?

Yes, for Vacation Rentals recognized by the city as prior existing uses and Vacation Rental permit applications submitted on or before December 28, 2018 and subsequently approved, the land use approval runs with the land. The operating license is issued to the property owner and is not transferable. If the property is sold, the new owner has 60 days from the date of closing to apply for a new operating license.

For Short Term Rental permit applications submitted on or after December 31, 2018, the land use approval is specific to the property owner. The permit automatically becomes void with the sale of the property.

How do I show proof of use as a Short Term Rental?

All Short Term Rental operators are required to collect and remit Transient Room Tax, which is the primary proof of use. Visit: <https://www.ci.sisters.or.us/finance/page/transient-room-tax>

What must I do to maintain my Short Term Rental land use permit and Operating License?

- Obtain and annually renew a Short Term Rental Operating License within the required time limits.
- Use the property as a short-term rental at least once every 12 months. This is verified each year by providing proof of use documentation (payment of Transient Room Tax) with your operating license renewal.
- Pay applicable Transient Room Tax.

If you do not use your property as a Short Term Rental at least once per year, your Vacation Home Rental permit will be void and the dwelling may no longer be used as a Short Term Rental unless you obtain a new Short Term Rental permit.