

BEFORE THE BOARD OF COUNTY COMMISSIONERS

FOR TILLAMOOK COUNTY, OREGON

In the Matter of a Short-Term Rental)
Operator License Fee within) ORDINANCE #86
Unincorporated Tillamook County and)
Providing for the Allocation of Funds)
Dedicated to Housing and Public)
Safety Initiatives in Tillamook County)

The Board of Commissioners for Tillamook County ORDAINS as follows:

Section 1. Title

This ordinance shall be known as the Short-Term Rental License Fee Ordinance.

Section 2. Disposition of Fees

All monies received from licenses issued shall be accounted for separately and dedicated, after administrative costs, to housing and public safety initiatives. After administrative costs, seventy-five percent (75%) of the fees shall be dedicated to housing initiatives and twenty-five percent (25%) of the fees shall be dedicated to public safety initiatives.

Section 3. Definitions

Except where the context otherwise requires, the definitions established in this Section govern the construction of this ordinance.

- (a) "Board" means the Board of County Commissioners.
- (b) "Contact Person" means the owner or if designated on the application for a permit, the agent of the owner, authorized to act for the owner.
- (c) "County" means Tillamook County, Oregon.
- (d) "Fee Administrator" means the Tillamook County Board of Commissioners, or its designee.
- (e) "Guest" means a person who rents one (1) or more rooms in a Short-Term Rental for a period of less than thirty (30) consecutive days. Any person who signs a monthly rental or fixed-term lease agreement is not considered to be a "Guest" but is considered a tenant exercising Long-Term Occupancy.

- (f) "Rent" means the total consideration, other than taxes, paid or payable for occupancy of transient lodging. If a separate fee is charged for services, goods or commodities and the fee is optional, that fee is not included in rent.
- (g) "Short-Term Rental" means a dwelling unit (including any accessory guest house on the same property) that is rented to any person on a day to day basis for a period of less than thirty (30) consecutive days. No recreational vehicle, travel trailer, or tent or other temporary shelter shall be used as or in conjunction with a Short-Term Rental. No occupancy of a parked vehicle, including recreational vehicles as defined in the Tillamook County Land Use Ordinance, in conjunction with the Short-Term Rental is permitted.

Section 4. Fee Collection

For the privilege of operating a Short-Term Rental within Tillamook County, the property owner of a Short-Term Rental shall pay to the County a quarterly Short-Term Rental Operator License Fee based upon gross revenue receipts of the rental each quarter. This quarterly license fee is due within thirty (30) days at the end of each quarter on any Short-Term Rental accommodation where rental occupancy is less than thirty (30) consecutive days. If the rental occupancy exceeds twenty-nine (29) consecutive days, the revenue received for this stay shall not be included the gross revenue for that quarter.

Section 5. Separate License for Separate Locations

If any person owns more than one Short-Term Rental unit on a property located within unincorporated Tillamook County, or owns multiple rental units within a structure located on a property within unincorporated Tillamook County, each rental unit shall be considered a separate rental unit and is required to obtain a separate Short-Term Rental Operator License for each rental unit.

Section 6. Collection of Short-Term Rental Operator License Fee; Rules for Collection

- (a) Every Short-Term Rental owner renting a Short-Term Rental within the unincorporated Tillamook County, the occupancy of which is not exempted under the terms of this ordinance or Tillamook County Ordinance #74 and Tillamook County Ordinance #84, shall pay the quarterly Short-Term Rental Operator License Fee.
- (b) The Fee Administrator shall enforce the provisions of this ordinance.
- (c) The Short-Term Rental Operator License Fee shall be assessed in accordance with the operator license fee table included as "Exhibit A".

Section 7. Registration of Short-Term Rental Operator License; Form and Contents; Execution; License of Authority

A license shall not be issued to any Short-Term Rental not in conformance with Tillamook County Ordinances 74, 75, and 84. No Short-Term Rental lodging owner, provider or intermediary shall advertise or rent any Short-Term Rental that is not in full compliance with County Short-Term Rental permit requirements, transient lodging tax filing requirements and land use permit requirements. Every person engaging or about to engage in Short-Term Rental activities as an owner of a Short-Term Rental within unincorporated Tillamook County shall register with the fee administrator within fifteen (15) days after commencing a new Short-Term Rental. The privilege of registration after the date of imposition of the operator license fee shall not relieve any person from the obligation of payment. Registration shall be on a form provided by the fee administrator and shall set forth the name under which the provider transacts or intends to conduct rental activity, the location of his place or places of the Short-Term Rental, rental property site addresses, and such other information to facilitate collection of the operator license fee as the fee administrator may require. The registration shall be signed by the owner of the Short-Term Rental. The fee administrator shall, within ten (10) days after registration, issue without charge a license of authority to the owner of the Short-Term Rental. License shall be non-assignable and nontransferable and shall be surrendered immediately to the fee administrator upon the cessation of rental activity at the location named or upon its sale or transfer. Each license shall state the place of the Short-Term Rental location to which it is applicable and shall be prominently displayed therein, readily visible to all occupants and persons seeking occupancy. The license shall include the following:

- (a) The name of the Short-Term Rental owner;
- (b) The address of the Short-Term Rental;
- (c) The date upon which the license was issued;
- (d) The transient lodging fee ID number assigned by the fee administrator;
- (e) The Short-Term Rental permit number; and
- (f) "This Short-Term Rental Operator License signifies that the person named on the face hereof has fulfilled the requirements of the Short-Term Rental Operator License Regulations, by registration with the fee administrator for the purpose of collection from the fee imposed by Tillamook County and remitting said fee to the fee administrator. This license does not authorize any person to conduct any unlawful rental activity or to conduct any lawful rental activity in an unlawful manner, or to operate a Short-Term Rental without strictly complying with all local applicable laws, including, but not limited to those requiring a permit from any board, commission, department, or office of the County. This license does not constitute a permit."

Section 8. Due Date; Returns and Payments

- (a) The Short-Term Rental Operator License Fee imposed by this ordinance shall be paid by the owner of the Short-Term Rental to the fee administrator and is due and payable to the fee administrator on a quarterly basis on the last day of the following month for the preceding three (3) months and is delinquent on the first day following the month in which the operator license fee is due.
- (b) The Short-Term Rental Operator License Fee shall be filed in such form as the fee administrator may prescribe for payment of the quarterly license fee, even if no Short-Term Rental activity has taken place within a quarter.
- (c) The person required to file the quarterly Short-Term Rental Operator License Fee shall deliver the fee, together with the remittance of the amount of the fee due, to the fee administrator's office, either by personal delivery or by mail. If the return is mailed, the postmark shall be considered the date of delivery for determining delinquencies.
- (d) For good cause, the fee administrator may extend for not to exceed one month the time for making any return or submittal of fees. No further extension shall be granted. Any Short-Term Rental owner to whom an extension is granted shall pay interest at the rate of one percent (1%) per month on the amount of fees due. If a quarterly payment is not submitted, and the license fee and interest due is not paid by the end of the extension granted, then the interest shall become a part of the quarterly operator fee for computation of penalties described elsewhere in this ordinance.

Section 9. Penalties, Interest and Revocation

- (a) Penalty-Original Delinquency. Any Short-Term Rental owner who has not been granted an extension of time for remittance of fees due and who fails to remit the operator license fee imposed by this ordinance prior to delinquency shall pay a penalty of ten percent (10%) of the amount of the operator license fee due in addition to the amount of the quarterly operator license fee.
- (b) Penalty-Continued Delinquency. Any Short-Term Rental owner who has not been granted an extension of time for remittance of operator license fee due, and who failed to pay a delinquent remittance on or before a period of thirty (30) days following the date on which the remittance first became delinquent shall pay a second delinquency penalty of fifteen percent (15%) of the amount of the license fee due plus the operator license fee and the ten percent (10%) penalty first imposed.
- (c) Interest. In addition to the penalties imposed, any transient lodging rent collector who fails to remit any fee imposed by this ordinance shall pay interest at the rate of one percent (1%) per month or fraction thereof without prorations for portions of a month, on the amount of the fee due, exclusive of penalties, from the date on which the remittance first become delinquent until paid.

- (d) Penalties and Interest Merged with Fee. Every penalty imposed and such interest as accrues under the provisions of this Section shall be merged with and become a part of the fee herein required to be paid.
- (e) Petition for Waiver. Any Short-Term Rental owner who fails to remit the quarterly Short-Term Rental Operator License fee herein levied within the time herein stated shall pay the penalties herein stated; provided however, Short-Term Rental owner may petition the Board of Commissioners for waiver and refund of the penalty or any portion thereof, if a good and sufficient reason is shown, and waive and direct a refund of the penalty or any portion thereof.
- (f) Revocation. Violating any provision in this ordinance, as well as non-compliance with any term or condition of a Short-Term Rental permit, including non-compliance with Tillamook County Ordinances #74 and #75: Tillamook County Transient Lodging Tax (TLT), or violating any County or State law, may result in revocation of a Short-Term Rental permit, revocation of a Short-Term Rental Operator license, denial of an application to renew a permit or license, and enforcement and penalties as outlined in this ordinance. Licenses that are terminated for non-renewal or non-payment will result in revocation of a Short-Term Rental permit.

Section 10. Refunds

- (a) Refunds by County to the Short-Term Rental Owner. Whenever the amount of any Short-Term Rental operator fees, penalty or interest has been paid more than once or has been erroneously or illegally collected or received by the fee administrator under this ordinance, it may be refunded, provided a verified claim in writing, stating the specific reason upon which the claim is founded, is filed with the fee administrator within three (3) years from the date of payment. The claim shall be made on forms provided by the fee administrator. If the claim is approved by the fee administrator, the excess amount collected or paid may be refunded or may be credited on any amount then due and payable from the Short-Term Rental owner from whom it was collected or by whom paid and the balance may be refunded to such transient lodging rent collector, his/her administrators, executors, or assigns.

Section 11. Administration

- (a) Examination of Records; Investigations. The fee administrator, or any person authorized in writing by the fee administrator, may examine during business hours the books, papers, and accounting records relating to transient lodging sales of any Short-Term Rental owner after notification to the Short-Term Rental owner liable for the operator license fee, and may investigate the information pertaining to the Short-Term Rental in order to ascertain and determine the Short-Term Rental operator license fee amount required to be paid based upon the information provided.

Section 12. Allocation of Funds for Workforce Housing Initiatives in Tillamook County

The portion of monies contained in the Short-Term Rental Operator License Fee Fund that are dedicated by this ordinance for housing initiatives in Tillamook County shall be distributed and administered in accordance with this Section.

- (a) The County Budget Committee shall allocate collected Short-Term Rental operator license fees as a special revenue fund and shall be made part of the annual County budget process.
- (b) The implementation and administration of the STR Funds allocated in subsection (a) of this Section shall be contained in a written policy to be adopted by Board Order.
- (c) The Board shall allocate and distribute Short-Term Rental funds for development and promotion of workforce housing at the recommendation of the Tillamook County Housing Commission.

Section 13. Allocation of Funds for Public Safety Initiatives in Tillamook County

The portion of monies contained in the Short-Term Rental Operator License Fee Fund that are dedicated by this ordinance for housing initiatives in Tillamook County shall be distributed and administered in accordance with this Section.

- (a) The County Budget Committee shall allocate collected Short-Term Rental operator license fees as a special revenue fund and shall be made part of the annual County budget process.
- (b) The implementation and administration of the Short-Term Rental funds allocated in subsection (a) of this Section shall be contained in a written policy to be adopted by Board Order.

Section 14. Appeal to the Board of Commissioners

Any person aggrieved by any decision of the fee administrator may appeal to the Board by filing notice of appeal with the fee administrator within twenty days of the serving or mailing of the Short-Term Rental operator fee collection notice or a decision given by the fee administrator. The fee administrator shall fix a time and place for hearing such appeal and shall give the appellant not less than twenty days written notice of the time and place of hearing. Action by the Board on appeals shall be decided by a majority of the members present at the meeting where such appeal is considered.

Section 15. Severability

If any section, subsection, paragraph, sentence, clause or phrase of this ordinance, or any part thereof, is for any reason held to be unconstitutional or otherwise invalid such decision shall not affect the validity of the remaining portions of this ordinance or any part thereof. The Board hereby declares that it would have passed each section, subsection, subdivision, paragraph, sentence, clause, or phrase thereof, irrespective of

the fact that any one or more sections, subsections, subdivisions, paragraphs, sentences, clauses or phrases be declared unconstitutional or otherwise invalid.

Section 16. Violations

It is unlawful for any Short-Term Rental owner or other person so required, to fail or refuse to register, furnish any required return, furnish a supplemental return, or other data required by the fee administrator, or to render a false or fraudulent return. No person required to make, render, sign, or verify any report shall make any false or fraudulent report, with intent to defeat or evade the determination of any amount due under this ordinance.

Section 17. Penalties

Violation of any of the provisions of this ordinance shall be a Class A violation, with a maximum penalty of two thousand dollars (\$2,000) in fines.

Section 18. Effective Date

This ordinance shall take effect on July 1, 2021.

Date of First Reading: December 16, 2020.
Date of Second Reading: December 30, 2020.

DATED this 30th day of December, 2020.



BOARD OF COUNTY COMMISSIONERS
FOR TILLAMOOK COUNTY, OREGON

Aye Nay Abstain/Absent

Bill Baertlein
Bill Baertlein, Chair

M.F. Bell
Mary Faith Bell, Vice Chair

David Yamamoto
David Yamamoto, Commissioner

ATTEST: Tassi O'Neil, County Clerk

APPROVED AS TO FORM:

By [Signature]
Special Deputy

[Signature]
Joel W. Stevens, County Counsel
William K. Sargeant

Exhibit A

Quarterly Operator Fee Based on Gross Receipts

Unincorporated Short-Term Rentals

<u>Gross Receipts - 2019 Q3</u>	<u># Units</u>	<u>Quarterly Operator Fee</u>
None	54	0
1- 4,999	114	50
5,000-9,999	182	100
10,000-19,999	386	200
20,000-29,999	128	300
30,000-39,999	43	400
40,000-49,999	28	500
50,000 or more	<u>13</u>	600
TOTAL	948	