

Short-Term Rental Code Update

Attachment F: City Council Issues Matrix, Oct. 28, 2025

Issue	Discussion Notes	Status
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1. Impacts on and protection for housing affordability <i>City Council President Kritzer, City Council Vice President Forsythe</i>	<u>City Council Discussion</u> 6/3: Councilmembers asked what the impacts are on and protections for housing affordability. <u>Staff Response/Recommendation</u> • STRs comprise approx. 0.6 percent of city's housing stock (237 of 35,796 units) • Business licensing requirements and regular engagement with the business sector will allow the city to monitor the number and percentage of STRs There would be no changes to the current protections on housing affordability. Redmond inclusionary zoning and multifamily property tax exemption affordable housing units are established to be affordable to households at various percentages of the Area Median Income (AMI). These units are bound with legal covenants, ensuring that same level of affordability. Housing units identified for providing affordable levels of housing would continue to be required to provide the levels as defined in those legal documents. These units are monitored and stewarded by ARCH to ensure compliance.	Opened 6/3/2025
2. Definition of Short-Term Rental <i>City Council President Kritzer, City Council Vice President Forsythe</i>	<u>City Council Discussion</u> 6/3: Councilmembers requested the proposed definition of short-term rental? <u>Staff Response/Recommendation</u> Chapter 64.37 RCW: Short-Term Rentals: "Short-term rental" means a lodging use, that is not a hotel or motel or bed and breakfast, in which a dwelling unit, or portion thereof, that is offered or provided to a guest by a short-term rental operator for a fee for fewer than thirty consecutive nights. "Short-term rental" does not include any of the following: (i) A dwelling unit that is occupied by the owner for at least six months during the calendar year and in which fewer than three rooms are rented at any time;	Opened 6/3/2025

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	(ii) A dwelling unit, or portion thereof, that is used by the same person for thirty or more consecutive nights; or (iii) A dwelling unit, or portion thereof, that is operated by an organization or government entity that is registered as a charitable organization with the secretary of state, state of Washington, or is classified by the federal internal revenue service as a public charity or a private foundation, and provides temporary housing to individuals who are being treated for trauma, injury, or disease, or their family members.	
3. Rental periods <i>City Council Vice President Forsythe, Councilmember Salahudin</i>	<u>City Council Discussion</u> 6/3: Councilmembers requested a description of the rental periods for short-term and long-term rentals. <u>Staff Response/Recommendation</u> Based on the state's definition: • Short-term rental is usage by a guest for fewer than thirty consecutive nights. • Long-term rental is usage by the same person for thirty or more consecutive nights.	Opened 6/3/2025
4. Mitigating upper levels of housing <i>Councilmember Nuevacamina</i>	<u>City Council Discussion</u> 6/3: Councilmember Nuevacamina asked about the aggressiveness to mitigate upper levels of housing. <u>Staff Response/Recommendation</u> Implementation of the recommended code provisions includes establishing the city's awareness of existing conditions and monitoring thereafter. While the data sources indicated 237 short-term rental units in 2024, it did not account for the RCW's definition of short-term rental. Business licensing requirements will help the city gain an improved understanding and develop a working relationship with the owners and operators.	Opened 6/3/2025

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5. Enforcement <i>City Council President Kritzer, Councilmember Stuart, Councilmember Nuevacamina</i>	<u>City Council Discussion</u> 6/3: Councilmembers asked what enforcement would occur when a short-term rental is not licensed. Also, what is the staffing capacity to respond to enforcement needs? <u>Staff Response/Recommendation</u> Staff recommends maintaining current enforcement operations that involve response to complaints. Additional staffing is not anticipated during the current budget period. Increased awareness and monitoring of short-term rental usage will allow for strategic decision making, if needed, in the future.	Opened 6/3/2025
6. Developers' promotion of short-term rentals <i>Councilmember Nuevacamina</i>	<u>City Council Discussion</u> 6/3: Councilmember Nuevacamina noted that developers are also promoting short-term rentals and asked whether this relates to the proposal? <u>Staff Response/Recommendation</u> Developers, realtors, and rental management companies are promoting use of long-term rental units for short-term rental usage. A small number of these are acceptable though the total number must be monitored for each mixed-use and multifamily development. Exceeding the amounts of transient usage might require a change of use to hotel, motel, or boarding house occupancy types which would raise various code implications including land use and zoning.	Opened 6/3/2025
7. Communication <i>City Council President Kritzer, Councilmember Stuart</i>	<u>City Council Discussion</u> 6/3: Councilmembers asked what type of communication will occur with the owners and operators. <u>Staff Response/Recommendation</u> Several resources will guide short-term rental owners and operators regarding communication with the City and with respective neighboring property owners. These include platform	Opened 6/3/2025

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	provider (Airbnb, VRBO, etc.) Good Neighbor policies and guides and the new City of Redmond Short-Term Rental Guide. Communication with the City is intended to create awareness for Development Services Center staff, including Code Enforcement, and Public Safety staff. This requirement aligns with RCW 64.37.030: Consumer Safety: (1) All short-term rental operators who offer dwelling units, or portions thereof, for short-term rental use in the state of Washington must: (a) Provide contact information to all short-term rental guests during a guest's stay. The contact must be available to respond to inquiries at the short-term rental during the length of stay; (b) Provide that their short-term rental is in compliance with RCW 19.27.530 and any rules adopted by the state building code council regarding the installation of carbon monoxide alarms; and (c) Post the following information in a conspicuous place within each dwelling unit used as a short-term rental: (i) The short-term rental street address; (ii) The emergency contact information for summoning police, fire, or emergency medical services; (iii) The floor plan indicating fire exits and escape routes; (iv) The maximum occupancy limits; and (v) The contact information for the operator or designated contact. (2) Short-term rental platforms must provide short-term rental operators with a summary of the consumer safety requirements in subsection (1) of this section. (3) For a first violation of this section, the city or county attorney must issue a warning letter to the owner or operator. An owner that violates this section after receiving a warning letter is guilty of a class 2 civil infraction under chapter 7.80 RCW. Communication with neighboring property owners is intended to ensure available contact information in the event of an emergency and to mitigate unanticipated issues.	

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8. Inspections <i>Councilmember Nuevacamina, Councilmember Stuart, City Council Vice President Forsythe</i>	<u>City Council Discussion</u> 6/3: Councilmembers asked if inspections noted in the project material would be additive or in-place of regular inspections. Also, how would the City manage inspections considering current staffing? <u>Staff Response/Recommendation</u> Staff recommends maintain current inspection standards, which are implemented during original construction and subsequent modifications to structures. In the event of a complaint regarding safety, an additional inspection could be warranted depending on the nature of the complaint.	Opened 6/3/2025, 9/2/2025
9. Staff capacity for licensing <i>Councilmember Stuart</i>	<u>City Council Discussion</u> 6/3: Councilmember Stuart asked what the staff capacity is for licensing. <u>Staff Response/Recommendation</u> The City partners with the Washington Department of Revenue for business licensing. Currently, staff are required to refund any City business licenses for short-term rentals, paid for at the time of state licensing. This time will be alleviated, and less time will be used in response to the licensing of short-term rentals that meet the state's definition. There is one full-time staff member that is responsible for business license processes with staff from Planning, Building, Public Works and Fire reviewing incoming license applications.	Opened 6/3/2025
10. Homeowner Association (HOA) status <i>Councilmember Stuart</i>	<u>City Council Discussion</u> 6/3: Councilmember Stuart asked if the proposal would affect Homeowner Association rules or change the allowance or prohibition of short-term rentals. <u>Staff Response/Recommendation</u> HOA rules are specific to the individual development. They can be more restrictive than local regulations. For example, a business license requirement for short-term rentals would apply	Opened 6/3/2025

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	within the HOA as well as across the city. However, if an HOA prohibited short-term rentals – and its rules are being actively applied – then, a short-term rental would not be allowed within the HOA’s service area. It is best for an HOA to discuss their rules with their legal counsel to fully understand the relationship between City regulations and HOA rules.	
11. Neighboring cities <i>City Council President Kritzer, Councilmember Fields</i>	<u>City Council Discussion</u> 6/3: Councilmembers requested information on how other cities handle short-term rentals. <u>Staff Response/Recommendation</u> <i>Definitions:</i> • Seattle defines short-term rentals as a type of lodging sometimes called vacation rentals. A house, condo, or apartment (or a part of one) that is rented for a fee for fewer than 30 consecutive nights is a short-term rental. • Kirkland defines short-term rental as the rental of a residential unit for less than thirty days. A short-term rental is not a bed and breakfast house or home occupation as defined in the Zoning Code. • In Spokane a short-term rental means a lodging use, that is not a hotel or motel, in which a residential dwelling unit, or portion thereof, is rented to overnight guests by a short-term rental owner or operator for a fee for fewer than 30 consecutive days. • Bothell does not license short- or long-term rentals. <i>Restrictions:</i> • Seattle restricts establishing short-term rentals include RVs, tents, garages, boats, and other spaces not considered dwelling units; floating on-water residences, waterfront residences, and other areas where lodging activities are prohibited by the shoreline code; and dwellings in commercial or industrial buildings permitted as “Caretakers Quarters”. • Kirkland does not allow more than two short-term rental agreements at the property at any one time. • Spokane determines maximum short-term rental units by structure rather than per lot.	Opened 6/3/2025, 9/2/2025

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	○ One short-term rental is allowed in both a detached or attached single-family structure and an accessory dwelling unit, subject to the owner occupancy requirements. ○ Multifamily or mixed-use buildings: ▪ Buildings that are fire sprinklered may have no more than thirty percent (30%) of the total number of residential units as short-term rentals. ▪ Buildings that are not fire sprinklered must go through the Change of Use/Occupancy process to establish a Retail Sales and Service use. <i>Requirements:</i> • Seattle requires a City of Seattle business license and a registration for rentals operated other than within an individual's respective residence. • Kirkland requires a city endorsement (license) be added to the WA State Business License for short-term and long-term rentals. A Short-Term Rental Declaration must be submitted with a short-term rental application. ○ The property owner, or an authorized agent, must occupy the property as a primary residence at least 245 days per year to enter into short-term rentals there. ○ A property manager living within 15 miles of the residence must be identified for those days when neither the owner nor an authorized agent are occupying the property. ○ Lodging taxes for short-term rentals must be paid to the State of Washington, and those payments are the responsibility of the property owner. • Spokane requires a city endorsement be added to the WA State Business License for short-term rentals. The owner/operator of the rental must obtain a permit, include a site plan and a floor plan, and a notarized Life Safety Compliance form. ○ The city's building official must verify that each bedroom to be rented to overnight guests meets the current building code requirements for a sleeping room, meets current fire code requirements and common areas do not qualify	

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	as sleeping accommodations for the purposes of determining maximum occupancy. ○ For short-term rentals within residential zones: a notification letter must be prepared by the owner/operator describing the operation and number of bedrooms rented and includes information on how to contact the owner/operator by phone. Notification letter is to be mailed or delivered to all recognized organizations/owners of property abutting and directly across the street from the short-term rental upon issuance of the short-term permit. <i>Violations:</i> • Seattle levies a \$150 to \$500 daily fine for violations that remain unresolved. • Kirkland – failure to obtain a business license or maintain one may result in penalty fees and possibly other sanctions or could constitute a misdemeanor crime. • Spokane – if a short-term permit is revoked, a new short-term rental permit will not be issued to the owner at that site for 2 years. Before revocation, the owner/operator receives one warning. Non-compliance or a repeat of non-compliance in a 12-month period results in revocation and a civil infraction.	
12. Licensing fee <i>City Council President Kritzer</i>	<u>City Council Discussion</u> 9/2: City Council President Kritzer requested additional details regarding the feedback staff received regarding the City’s business license fee and perspectives on addressing the feedback. <u>Staff Response/Recommendation</u> In response to community feedback, staff described the current fee for a business license at \$153. It covers city services, such as public safety, infrastructure maintenance, and economic and tourism support services. Business licenses are renewed annually, and any proposed increases to the rate would be reviewed by the City Council. For short-term rentals meeting the proposed definition, staff’s recommendation is:	Opened 9/2/2025

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	• One Redmond business license for the operator of a multifamily or mixed-use development; and • One Redmond business license for every individually addressed unit in other forms of development such as single-family dwellings and accessory dwelling units. The discussions with community also reflected back on the proposed definition of short-term rentals. This highlighted to some community meeting participants how their rental would not meet the terms of the definition and therefore would not be required to obtain a Redmond business license.	
13. Data source, AirDNA <i>Councilmember Stuart</i>	<u>City Council Discussion</u> 9/2: Councilmember Stuart requested additional information regarding the data source, AirDNA, referenced in the project material. Also, in the future, will the City consider using our own business licensing as a data source? <u>Staff Response/Recommendation</u> AirDNA provided insights into lodging use during the development of the City’s 2024 Tourism Strategic Plan. This global company collects short-term rental data from public and proprietary sources, including Airbnb and Vrbo data. They report monitoring over 10 million properties in 120,000 markets worldwide. If the City Council approves the recommendation for City of Redmond business licensing requirements, Economic Development and Tourism staff will begin monitoring and developing working relationships with short-term rental owners and operators as well as platform providers as members of the lodging and tourism business sector.	Opened 9/2/2025
14. Good neighbor practices	<u>City Council Discussion</u> 9/2: Councilmember Stuart noted that the City Council received questions and curiosities at Derby Days regarding good neighbor practices. She asked what these practices and protocols would look like in their implementation, including when Council receives emails.	Opened 9/2/2025

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<i>Councilmember Stuart</i>	<u>Staff Response/Recommendation</u> Platforms provide policies and rules for the owner or operator of a short-term rental as well as for their guests to function. One policy, by Airbnb, involves community disturbance, for example: Community Disturbance Policy It is important that those who use Airbnb are respectful of local communities. That respect includes trying to avoid disturbing neighbors with disruptive parties, events, noise, or other disruptive behaviors and actions. This Policy covers our ban on disruptive gatherings and other community disturbances during listing stays or Experiences. Parties and events Disruptive gatherings are prohibited, regardless of size. What we don't allow: - Disruptive gatherings - Open-invite gatherings - Disturbances to the surrounding community such as: - Excessive noise - Excessive visitors - Excessive trash/littering - Smoking nuisances - Parking nuisances - Trespassing - Vandalism - Advertising listings as party or event friendly Unauthorized party intervention	

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	We are committed to safe and responsible travel, and reducing the number of unauthorized parties at Airbnb listings has long been a priority. To help us achieve this, we take action, and may block certain reservations that we determine to be higher risk for unauthorized parties. What happens when a host or guest violates our policies? We ask our community to work together to help prevent community disturbances and disruptive gatherings. Airbnb may take steps up to and including suspending or removing a guest, host, or listing from the Airbnb platform if they fail to comply with our policies. Where a listing is advertised as party or event friendly, we may suspend the listing until the violating content is removed. We may also ask the host to update their listing to include an explicit rule stating that parties and events are not allowed. Where a host has set an unreasonable occupancy for a listing, we may require the host to update the listing's occupancy to mitigate the risk of disruptive gatherings. In rare cases where it appears that the listing is intended primarily for the purpose of hosting parties or events (for example, party or event venues), or where a listing has created a severe or chronic nuisance within a neighborhood, the listing may be permanently removed from Airbnb. Reporting a disruption When it's believed an Airbnb listing or Experience is causing a community disturbance—whether that's excessive noise, a disruptive gathering, or unsafe behavior—members of the local community can report it through our dedicated Neighborhood Support. This provides access to the Neighborhood Support team phone number, where a party or other community disturbance that's still in progress can be reported. Once an issue is reported to us, we will send a confirmation email explaining what happens next. This page also provides a link to local emergency services.	

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	The new City of Redmond Short-Term Rental Guide similarly recommends practices such as clear communication with guests regarding noise, parking, waste management, and pet waste management. As an operational tool, this guide can be updated periodically based on the City's increased awareness of short-term rental operations and unanticipated issues. For example, noise complaints, disturbances, and parking complaints might be made to 911 or the non-emergency line. The Short-Term Rental Guide can direct these calls to the most appropriate tools for logging issues.	
15. Liabilities <i>City Council Vice President Forsythe</i>	<u>City Council Discussion</u> 9/2: City Council Vice President Forsythe asked what the City's liabilities are for completing or not completing the amendments. Also, what are other liabilities? <u>Staff Response/Recommendation</u> Short-term rentals are currently regulated by state law, including provisions for city and county actions concerning violations of the state's requirements: RCW 64.37.030: Consumer Safety provides the following for cities and counties in response to violations regarding short-term rental operations: (3) For a first violation of this section, the city or county attorney must issue a warning letter to the owner or operator. An owner that violates this section after receiving a warning letter is guilty of a class 2 civil infraction under chapter 7.80 RCW. In addition, RCW 64.37.050: Liability insurance states: A short-term rental operator must maintain primary liability insurance to cover the short-term rental dwelling unit in the aggregate of not less than one million dollars or conduct each short-term rental transaction through a platform that provides equal or greater primary liability insurance coverage. Nothing in this section prevents an operator or a platform from seeking contributions from any other insurer also providing primary liability insurance coverage for the short-term rental transaction to the extent of that insurer's primary liability coverage limits.	Opened 9/2/2025

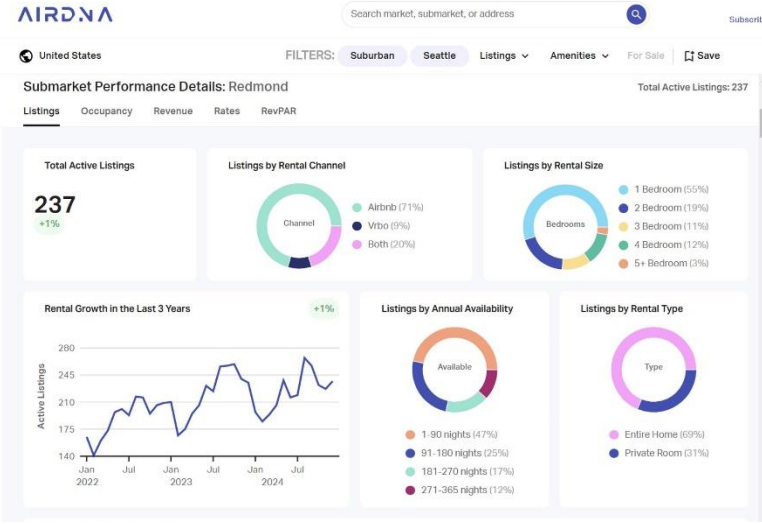
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	The proposed amendments to the Redmond Municipal Code would recognize the state's requirements via references, and operationally via the Short-Term Rental Guide. Because the state law is in effect, the cross-references from the city's code would provide awareness of the city's authority to respond to violations.	
16. Conversion to long-term rental <i>City Council Vice President Forsythe</i>	<u>City Council Discussion</u> 9/2: City Council Vice President Forsythe asked what, if any, are the expectations regarding conversions from short to long-term rentals and vice versa (from long-term to short-term rentals). <u>Staff Response/Recommendation</u> The impact of the short-term rental recommendations drafted by staff on conversions from short-term rentals to long-term rentals is likely minimal, while conversions from long-term rental to short-term rental is more likely in the immediate future due to the upcoming World Cup. For example, the staff recommendation of requiring one business license per separately addressed short-term rental unit for accessory dwelling units or single-family homes creates a cost for short-term rental owners/operators of \$153.00 per unit. This business license cost is more than offset by a single day's worth of rental income from that same dwelling unit. Further, a business license is already required for long-term rental owners/operators where five or more dwelling units are being rented per location. Once an owner/operator has exerted the effort to enter the short-term rental ecosystem, primarily the work associated with meeting compliance to begin renting through various private short-term rental services, there is minimal impetus for that owner/operator to switch back to a long-term rental process so long as the financial calculations continue to prefer the short-term approach.	Opened 9/2/2025
17. Anticipated short-term rental	<u>City Council Discussion</u>	Opened 9/2/2025

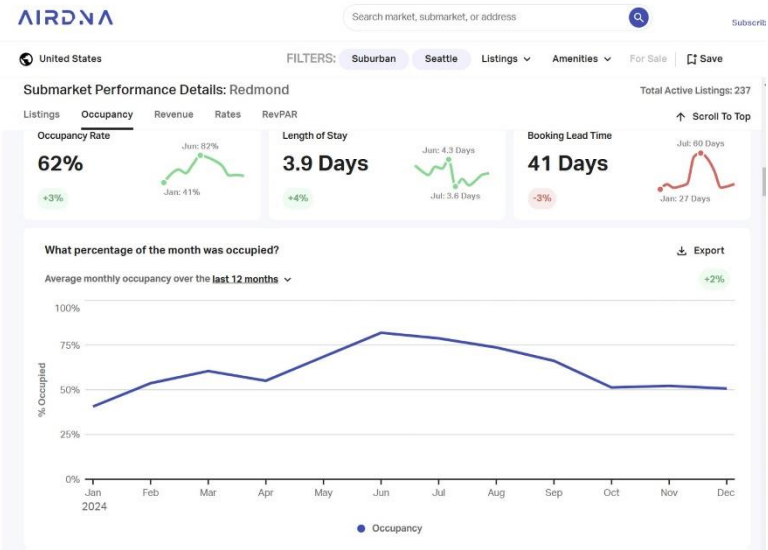
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usage following the World Cup <i>City Council President Kritzer, City Council Vice President Forsythe</i>	9/2: Councilmembers asked what staff anticipates for the longevity of short-term rentals, particularly following the World Cup event. <u>Staff Response/Recommendation</u> With updated licensing requirements, the City will be able to better track and report on usage trends with short term rentals after the World Cup. The World Cup is a once-in-a-generation event and the impacts of the World Cup on short-term rentals are unknown. The following images provide insights regarding recent short-term rental usage: - Overview including a general increase in the number of listings from 2022 to 2024:  The screenshot displays the AIRDNA interface for the Redmond submarket. It includes a search bar at the top, filters for Suburban and Seattle, and a 'Total Active Listings' of 237. The main section contains several charts: 'Listings by Rental Channel' (Airbnb 71%, Vrbo 8%, Both 20%), 'Listings by Rental Size' (1 Bedroom 55%, 2 Bedroom 19%, 3 Bedroom 11%, 4 Bedroom 12%, 5+ Bedroom 3%), 'Rental Growth in the Last 3 Years' (line chart showing growth from 2022 to 2024), 'Listings by Annual Availability' (1-90 nights 47%, 91-180 nights 25%, 181-270 nights 17%, 271-365 nights 12%), and 'Listings by Rental Type' (Entire Home 69%, Private Room 31%). - A measure of occupancy indicating peak usage of short-term rentals from June to Sept, 2024:	

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	 The screenshot displays the AIRDNA Submarket Performance Details for Redmond. Key metrics include an occupancy rate of 62%, a length of stay of 3.9 days, and a booking lead time of 41 days. A line chart shows the percentage of the month occupied over the last 12 months, with a peak in June and July 2024.	
18. Projected World Cup travel numbers to region and Redmond <i>City Council President Kritzer, City Council Vice President Forsythe</i>	<u>City Council Discussion</u> 9/2: Councilmembers asked what staff anticipates for tourism demand of short-term rentals to be during the World Cup. Also, are there any implications or policies that the City should consider, and what is the projected tourism travel anticipated during the World Cup games? <u>Staff Response/Recommendation</u> During the World Cup, Visit Seattle predicts 750K visitors will visit in the region with 50% of those being international visitors. Average stay will be 9 days. \$652.6 M – Direct Spending Impact \$929.0 M Total Economic Impact \$106.5 M – Total state and local taxes generated SEA Airport international arrivals grew almost 10% in 2025 from 2024 in June and July. Regional partners are continuing to monitor travel trends and will update projections as appropriate.	Opened 9/2/2025

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19. Tenant rights information and resources <i>City Council Vice President Forsythe, Councilmember Fields, Councilmember Stuart</i>	<u>City Council Discussion</u> 9/2: Councilmembers requested amendments to regulations to ensure that tenants' rights, information, and resources be posted at multifamily developments to help people locate and remain in housing. They noted Engrossed House Bill 1217 updated state legislation, effective May 7, 2025 with amendments to Revised Code of Washington (RCW) chapter 59.18 and 59.20 to improve housing stability for tenants subject to the residential landlord tenant act and the manufactured/mobile home landlord-tenant act by limiting rent and fee increases, requiring notice of rent and fee increases, limiting fees and deposits, establishing a landlord resource center and associated services, authorizing tenant lease termination, creating parity between lease types, and providing for attorney general enforcement. <u>Staff Response/Recommendation</u> Staff proposes the addition of requirements to Chapter 5.04 RMC, General Business Regulations as follows: 5.04.070 Procedures for issuance of license. A. Formal Application Required. Every person required to procure a City business license under the provisions of this chapter must submit an application for such license to the Business Licensing Service. The application must include all information required for all licenses requested, the total fees due for all licenses, and the application handling fee required by RCW 19.02.075. ... <u>F. Posting of Tenant Rights. Applications for new and renewal licenses of all rental businesses governed by this section must ensure accessible posting of applicable material regarding tenant rights, related information, and resources as provided for by the City of Redmond Development Services Center, consistent with chapter RCW 59.18 and 59.20.</u>	Opened 9/9/2025