



## Frequently Asked Questions regarding NEW Short-Term Rentals<sup>1</sup>

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In 2014, the Bend City Council responded to a call from some neighborhoods to consider issues surrounding vacation home rentals, and balance neighborhood livability with private property rights and our tourism economy. On April 15, 2015, the City Council voted to adopt a new regulatory approach for permitting and licensing all Short-Term Rentals (Bend Development Code 3.6.500).

### ***What is a Short Term Rental?***

A Short-Term Rental is any dwelling unit or portion of a dwelling unit rented fewer than 30 days per tenant. This term includes whole-house rentals, as well as the rental of up to 2 individual rooms in a house while the owner is present.

### ***What approvals do I need to operate a Short Term Rental?***

All properties need a land use approval AND an operating license<sup>2</sup>:

- A land use application reviews whether the property site meets City standards; once the review is complete, a land use approval is issued. The land use approval lasts as long as you own the property and maintain an active operating license.
- Once a land use application is filed, a property owner may apply for an operating license. The operating license governs how the Short-Term Rental is managed. The license lasts for one 12-month period and must be renewed annually.

### ***What if I only rent out one or two bedrooms while I live in the house?***

If you only rent out one or two bedrooms in the dwelling unit for fewer than 30 days while you are present in the home, this is considered an Owner Occupied Short Term Rental. The bedroom(s) must be within the structure that you as the owner occupy and may not be located within a detached or attached accessory dwelling unit or guest house. If you want to rent out more than two bedrooms while you are present in the home, you will need to apply for a regular Short Term Rental.

### ***What if I only rent out my home for a few days per year?***

'Infrequent' Short Term Rentals are limited to four rental periods, as long as the cumulative rental period within a calendar year is fewer than 30 days.

### ***What type of land use application do I need to submit?***

The type of land use application you will need to submit (Type I versus Type II) is dependent upon what zoning district your property lies within, how many days per year you intend to rent your property as a Short Term Rental, and if you rent only a portion of your house while you are present in the home. Type I applications do not require public notice

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<sup>1</sup> Short Term Rental land use applications submitted after April 15, 2015 and subsequently approved.

<sup>2</sup> Properties within Mt Bachelor Village Resort and the Courtyards at Broken Top are exempt from obtaining land use approval but will still need to obtain an operating license

and the application fee is about a third the cost of a Type II application, which does require public notice.

**Type I Applications include:**

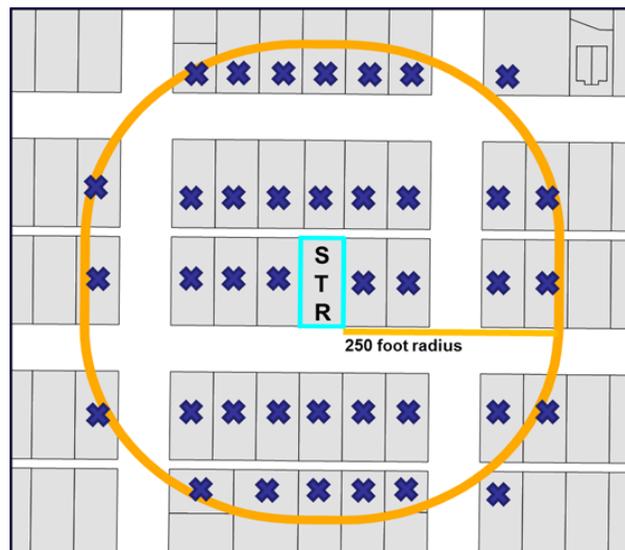
- Properties within Commercial, Mixed Use Riverfront (within the Old Mill District boundaries) and Mixed Employment zoning districts.
- Properties within a Residential zoning district or within the Mixed Use Riverfront zone (outside of the Old Mill District boundaries) which will be available for rent fewer than 30 days within a calendar year (an 'Infrequent' Short-Term Rental).
- Owner Occupied Short Term Rentals within Residential, Commercial and Mixed Use zoning districts.

**Type II Applications include:**

- Properties within Residential zoning districts or within the Mixed Use Riverfront zone (outside of the Old Mill District boundaries) to be rented as Short Term Rental 30 days or more within a 12-month period.

***What requirements must be met for land use approval?***

- One parking space per bedroom is required for all Short Term Rental applications. A parking space is defined as 9' x 20' and must have 24 feet of backing/maneuvering space if perpendicular to an alley. Up to 50% of the parking requirement may be met on the abutting street frontage if the street width is wide enough to accommodate parking on both sides of the street (32 ft). Please see Bend Development Code 3.3.300 for further detail.
- For Type II applications, there shall be at least **250 feet of separation** between properties permitted as Short-Term Rentals. This 250 feet of separation is measured radially from your property boundary (see figure below). This separation includes all properties that wholly or partially within that radius (all properties in the figure with an 'x'). If one property within 250 feet of your property is an approved Short Term Rental, your property could not be approved as a new Short-Term Rental.



***Can I utilize both my main house and my accessory dwelling unit as Short Term Rentals?***

Yes. If you want to rent the two dwelling units out separately, you will need to obtain two separate land use approvals. If you plan on renting them out together as a single rental, you will only need one land use approval.

***What if I sell my property?***

The land use approval will be issued to you as the owner and will not run with the land. When you sell or transfer your property, the land use approval will terminate and be void. Please see Bend Development Code 3.6.500.F. for further detail.

***What must I do to maintain my Short Term Rental land use approval?***

Two conditions must be met:

- You must use the property as a short-term rental every 12 months.
- You must obtain and maintain an annual short term rental operating license.

***What are the deadlines for showing proof of use as a Short Term Rental?***

To show you have initiated the use as a short-term rental, you must rent the dwelling unit as a short-term rental within 12 months of your land use approval. For Short Term Rental land use applications submitted between April 15 and September 1, 2015, you must rent the dwelling unit by September 1, 2016. Subsequently, you will be required to rent the property as a short term rental at least one night every 12 months (to show you have not abandoned the use).

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

If you use your property as a Short Term Rental for 30 days or more in a 12 month period, you will be submitting Transient Room Tax, which is the primary proof of use. If you rent your property fewer than 30 days in a 12 month period, you will need to provide alternative documentation of proof of use, such as a rental receipt or a rental contract.

***What is the Short Term Rental Operating License?***

The Short-Term Rental annual operating license is a new program that governs how short-term rental properties are managed (Bend Code 7.16). Each dwelling with short term rental land use approval requires its own operating license. As of September 1, 2015, you may not operate a Short Term Rental without a Short Term Rental Operating License.

Please note that the Short-Term Rental annual operating license is not the same as a City business license; having a City business license does not exempt you from needing a Short-Term Rental annual operating license.

***What are the deadlines for this new operating license program?***

The Short-Term Rental annual operating license program goes into effect on July 3, 2015. There is a 60-day filing period to apply for your annual operating license.

- For land use applications submitted and subsequently approved between April 16 and July 2, 2015, the deadline to file your operating license application is **September 1, 2015**.
- After July 2, 2015, you must apply for an annual operating license **within 60 days of receiving final land use approval** prior to operating as a Short Term Rental.

If you do not submit an application for an operating license by these deadlines, you may not operate the dwelling as a Short Term Rental and the **existing land use approval will be void**. To continue to operate as a Short Term Rental after expiration of your Short Term Rental operating license (or after you missed the deadline), you must apply for a new land use approval and a new operating license.

### ***What do I need to submit for the operating license?***

You will be receiving a notice in the mail in early July outlining the license application submittal requirements. Among other requirements, you will need to:

- Designate a representative to respond to issues regarding operation of the Short Term Rental if you don't permanently reside within the Bend City limits or are not always available when the property is being rented.
- List the website addresses and/or listing numbers where the short term rental is advertised.
- Upon renewal of operating license, prove that the dwelling has been used as a short term rental at least one night in the prior 12 months.

### ***How much is the annual operating license?***

The annual operating license fee will be based on the cost of administering and enforcing the Short Term Rental program on an annual basis. It is the City's policy that a program such as this is self-funded, which means it does not receive funding from the City's general fund. Based on preliminary budget figures and anticipated number of license applications, the annual fee for a Short Term Rental operating license is anticipated to be between \$200-300.

### ***What happens to the operating license if I sell my property?***

The new owner will have 60 days from the date of ownership (closing of the sale) to apply for and receive a new operating license.

### ***How do I find out more?***

It is your responsibility to review, understand and follow these regulations. The full regulatory documents are available online at <http://www.bendoregon.gov/vacationrentals> and available for review at City Hall, 710 NW Wall St, Bend, OR. If you have questions regarding the land use permitting requirements, please contact the Planning Division at 541-388-5580 ext 3 or [bendcdd@bendoregon.gov](mailto:bendcdd@bendoregon.gov). For questions regarding the licensing program, please contact Lorelei Williams, Program Coordinator, at 541-323-8565 or [lwilliams@bendoregon.gov](mailto:lwilliams@bendoregon.gov).