



Short-Term Rental Summary of Regulations Handout

SUMMARY OF REGULATIONS AFFECTING SHORT TERM RENTALS

Definitions

Short Term Rental (STR) – A lodging use that is not a motel, hotel or bed and breakfast, that is offered for a fee for fewer than 30 nights.*

There are two Types of STRs: 1) Homestay and 2) Vacation Rental

- Homestay – A residential use wherein rooms are rented within a dwelling unit that is occupied by a permanent resident or property owner. Allowed outright without a permit, as a home-based business that is subordinate and incidental to the main residential use of the dwelling unit.
- Vacation Rental – A lodging use wherein an entire dwelling unit is rented for overnight stays for less than 30 consecutive nights and property owner does not reside on-site. A permit is required for a vacation rental.

Permitting

- A City permit (and associated fee) is required for each *vacation rental* unit; biennial renewal required.
- City and state business license is required for *homestays* and *vacation rental* units.*
- Proof of primary liability insurance for *homestays* and *vacation rental* units.*
- Remit all applicable local and state taxes.*

Performance Standards

Homestays and Vacation Rentals:

- Permitted in Accessory Dwelling Units (ADUs), single-family, duplex, tri-plex, four-plex, townhouse, and multifamily development housing.
- The number of overnight guests is limited to a maximum of ten adults or two adults per bedroom, whichever is less, except children under 12 years of age may occupy a bedroom with no more than two adults.
- Short-term rentals are permitted everywhere residential and commercial uses are permitted except in the Auto Services (AS) and Industrial (I) zoning districts.
- *Vacation rentals and homestays* in existence on or before September 27, 2021, will be permitted to continue without additional parking for as long as they are in continuous use as a short term rental.

Homestays Only:

- Primary resident, property owner, or long-term tenant must occupy the dwelling as their permanent residence, including whenever a guest is residing in the *homestay* unit.
- One additional off-street parking space will be required when renting more than two bedrooms in one dwelling unit.

Vacation Rentals Only:

- Maximum of two (2) separate *vacation rental* units in Olympia per property owner. This restriction does not pertain to *homestays*. *Vacation rentals* in existence on September 27, 2021, may continue as a *vacation rental*, provided all other applicable requirements are continuously met.
- Maximum of two *vacation rentals* per parcel on land containing a single-family home.
- *Vacation rental* unit may be permitted in one dwelling unit or three percent of the non-income-restricted dwelling units, whichever is greater, on a legal parcel of land or adjacent parcels in common ownership.
- One additional off-street parking space will be required if renting two units on a parcel in which one unit is a single family residence.
- Identify a local contact person available 24/7 within 15 miles of the short term rental, or within Thurston County

Good Neighbor Guidelines (required of all STRs):

- Posted guidelines for guests*
- Posted emergency contacts, floor plan, evacuation plan*

- Posted copy of license and permit number*

Enforcement and Oversight

- Compliance with all applicable health, safety and nuisance requirements – building code, fire code, sanitation, noise, odor, etc.*
- Violations subject to civil penalties and suspension and/or revocation of City license or permit.

*See also RCW Chapter 64.37, Short Term Rentals