



White Salmon City Council Meeting

A G E N D A

December 01, 2021 – 6:00 PM

Via Zoom Teleconference

Meeting ID: 854 2446 1629 Passcode: 750342

Call in Numbers:

669-900-6833

929-205-6099

301-715-8592

346-248-7799

253-215-8782

312-626-6799

We ask that the audience call in instead of videoing in or turn off your camera, so video does not show during the meeting to prevent disruption. Thank you.

I. Call to Order, Land Recognition, Presentation of the Flag and Roll Call

II. Changes to the Agenda

III. Consent Agenda

- A. Resolution 2021-12-590, Declaring Surplus Property and Providing for Transfer of Ownership (2013 Ford Explorer to Klickitat County EMS District #1)
- B. City Attorney Agreement
- C. 2022 WAGAP Youth Center Agreement
- D. 2022 Interlocal Agreement with City of Bingen, Treatment Plant Funding (\$15.25 per ERU)
- E. Personal Services Contract Amendment, Anderson Perry 14-Inch Main Line Design, Amendment No. 1 (from \$750,000 to \$770,859)
- F. Approval of Vouchers

IV. Public Comment

Any public in attendance at meeting will be provided an opportunity to make public comment of a general nature (except as identified below) in the time allotted. No registration is required. Public comment can also be submitted via email to Jan Brending at janb@ci.white-salmon.wa.us by 5:00 p.m. on Wednesday, November 17. All written comments (except as identified below) received by 5:00 p.m. will be read during the City Council meeting.

V. Business Items

- A. Ordinance 2021-12-1088, Amending WSMC 13.16.025 Monthly Water Fees
 - 1. Presentation
 - 2. Public HearingWritten comments may be submitted to janb@ci.white-salmon.wa.us by 5:00 p.m. on Wednesday, December 1, 2021 noting in the subject line "Public Hearing – Ordinance 2021-12-1088 Monthly Water Fees." All written comments will be read during the public hearing. In addition, any individual who wishes to testify via the teleconference will be allowed to do so. You may register with the city (by contacting Jan Brending at janb@ci.white-salmon.wa.us by 5:00 p.m. on

Wednesday, December 1, 2021) that you desire to testify via teleconference and provide your name and/or phone number as it will appear during the Zoom teleconference.

3. Discussion and Action

B. Proposed 2022 Budget, Ordinance 2021-12-1089 Adopting the 2022 Budget

1. Presentation

2. Public Hearing

Written comments may be submitted to janb@ci.white-salmon.wa.us by 5:00 p.m. on Wednesday, December 1, 2021 noting in the subject line “Public Hearing – 2022 Budget.” All written comments will be read during the public hearing. In addition, any individual who wishes to testify via the teleconference will be allowed to do so. You may register with the city (by contacting Jan Brending at janb@ci.white-salmon.wa.us by 5:00 p.m. on Wednesday, December 1, 2021) that you desire to testify via teleconference and provide your name and/or phone number as it will appear during the Zoom teleconference.

3. Discussion and Action

C. Proposed Amendments to WSMC 5.02 Short-term Rentals

1. Presentation

2. Public Hearing

Written comments may be submitted to janb@ci.white-salmon.wa.us by 5:00 p.m. on Wednesday, December 1, 2021 noting in the subject line “Public Hearing – Short-term Rentals.” All written comments will be read during the public hearing. In addition, any individual who wishes to testify via the teleconference will be allowed to do so. You may register with the city (by contacting Jan Brending at janb@ci.white-salmon.wa.us by 5:00 p.m. on Wednesday, December 1, 2021) that you desire to testify via teleconference and provide your name and/or phone number as it will appear during the Zoom teleconference.

3. Discussion

D. 2022 Lodging Tax Grant Program Award

1. Presentation and Discussion

2. Action

VI. Reports and Communications

VII. Executive Session (if needed)

VIII. Adjournment

File Attachments for Item:

A. Resolution 2021-12-590, Declaring Surplus Property and Providing for Transfer of Ownership (2013 Ford Explorer to Klickitat County EMS District #1)



CONSENT AGENDA MEMO

Needs Legal Review: Yes
Meeting Date: December 1, 2021
Agenda Item: Resolution 2021-12-531, Declaring Surplus and Providing for Transfer of Ownership
Presented By: Mike Hepner, Police Chief and Jan Brending, Clerk Treasurer

Action Required

Adoption of Resolution 2021-12-531 Declaring Surplus and Providing for Transfer of Ownership authorizing the transfer of ownership of the city's 2013 Ford Explorer to Klickitat County EMS District #1.

Proposed Motion

None unless pulled from consent agenda. If pulled from the consent agenda, then proposed motion is as follows:

Move to adopt Resolution 2021-12-531, Declaring Surplus and Providing for Transfer of Ownership.

Explanation of Issue

The Bingen-White Salmon Police Department has a surplus vehicle – 2013 Ford Explorer that it is no longer in need of. Chief Hepner would like to transfer ownership of the vehicle, as allowed by state law, to the Klickitat County EMS District #1. The District is in need of a vehicle that can be used by management for travel within Klickitat County and to training opportunities. The vehicle has very little surplus value to the city.

Staff Recommendation

Staff recommends the council adopt Resolution 2021-12-531, Declaring Surplus and Providing for the Transfer of Ownership of the 2013 Ford Explorer.

RESOLUTION 2021-12-531

**A RESOLUTION OF THE CITY COUNCIL OF
THE CITY OF WHITE SALMON, WASHINGTON,
DECLARING SURPLUS PROPERTY AND PROVIDING FOR TRANSFER OF
OWNERSHIP**

WHEREAS, the City of White Salmon is the owner of certain property described below; and

WHEREAS, RCW 39.33.010 allows any municipality to transfer property to any state,
municipality or political subdivision; and

WHEREAS, the property described below is surplus to the needs of the City of White Salmon;
and;

WHEREAS, Klickitat County Emergency Medical Services District #1 can use the property; and

WHEREAS, it is in the best interest of the City of White Salmon to convey the property to
Klickitat County Emergency Medical Services District #1; and

NOW, THEREFORE, be it resolved by the City Council of the City of White Salmon:

1. The following items are hereby surplus and transferred to Klickitat County Fire District
#13 – Appleton effective immediately.

2013 Ford Explorer, VIN #1FM5K8AR6DGC30906

ADOPTED by the Council of the City of White Salmon, Washington. Dated this 1st day of
December, 2021.

Marla Keethler, Mayor

ATTEST:

APPROVED AS TO FORM:

Jan Brending, Clerk Treasurer

Kenneth B. Woodrich, City Attorney

File Attachments for Item:

B. City Attorney Agreement



CONSENT AGENDA MEMO

Needs Legal Review: Yes
Meeting Date: December 1, 2021
Agenda Item: Legal Services Agreement – City Attorney Services
Presented By: Jan Brending, Clerk Treasurer

Action Required

Authorization for Mayor to sign Legal Services Agreement for City Attorney Services with Kenneth B. Woodrich PC, providing for a retainer of \$1,200 per month, standard hourly rates of \$220, and Superior Court hourly rate of \$280.

Proposed Motion

None unless pulled from consent agenda. If pulled from the consent agenda, then proposed motion is as follows:

Move to authorize the Mayor to sign Legal Services Agreement for City Attorney Services with Kenneth B. Woodrich PC, providing for a retainer of \$1,200 per month, standard hourly rates of \$220, and Superior Court hourly rate of \$280.

Explanation of Issue

The City Attorney's fees last changed in 2012 and the current agreement provides for a retainer of \$960, an hourly rate of \$180 and an hourly rate of \$240 for litigation that is filed in State or Federal court.

The proposed agreement begins January 1, 2022 and provides for a retainer of \$1,200 per month, hourly rate of \$220 and an hourly rate of \$280 for any litigation filed in State or Federal court.

Staff Recommendation

Staff recommends the council authorize the Mayor to sign Legal Services Agreement for City Attorney Services with Kenneth B. Woodrich PC, providing for a retainer of \$1,200 per month, standard hourly rates of \$220, and Superior Court hourly rate of \$280.

LEGAL SERVICES AGREEMENT: CITY ATTORNEY SERVICES

This Agreement made and entered into this ____ day of _____ 2021, by and between the City of White Salmon, a municipal corporation, under the laws of the State of Washington (hereinafter referred to as “City”), and Kenneth B. Woodrich PC, Attorney at Law, WSBA No. 19654 (hereinafter referred to as “Attorney”), whose address is: 3205 F Street Vancouver, Washington 98663.

WHEREAS, the City is a non-charter code city and a municipal corporation in the State of Washington; and

WHEREAS, Attorney is licensed to practice law in the State of Washington and is an experienced municipal attorney; and

WHEREAS, the City desires to engage Attorney to provide City Attorney services, and Attorney has agreed to offer his professional services to perform said legal work; and

WHEREAS, Attorney has represented by entering into this Agreement that he is fully qualified to perform the legal work to which he will be assigned in a competent and professional manner, and to the standards required by the City.

NOW, THEREFORE, IT IS MUTUALLY AGREED BETWEEN THE PARTIES:

The City hereby appoints Kenneth B. Woodrich as its City Attorney, and Kenneth B. Woodrich hereby agrees to accept this appointment. Attorney agrees to provide legal and other services as hereafter set forth in connection with this appointment and Agreement in a satisfactory and proper manner, as determined by the City.

1. Scope of Services and Payment:

- a. Attorney shall be responsible for performing all legal services for the City, except as set forth in Section 14 of this Agreement.
- b. Effective January 1, 2022, the City hereby agrees to pay to Attorney as compensation for these legal services as follows:
 - (1) One Thousand Two Hundred Dollars (\$1,200.00) per month on the 1st day of each and every month as a retainer fee, and
 - (2) Two Hundred Eighty Dollars (\$280.00) per hour for litigation that has been filed in State or Federal Court; and
 - (3) Two Hundred Twenty Dollars (\$220.00) per hour for all other general legal services performed by Attorney on the City’s behalf, excluding Attorney’s preparation for, attendance and travel to two regular monthly meeting of the White Salmon City Council not to exceed two hours per meeting, except as provided herein. Attorney may be excused from one (1) meeting per calendar year for personal reasons and may

accumulate up to two (2) such excused meetings. Attorney shall be compensated for travel time to meetings at one-half the base rate.

- c. In addition to the compensation set forth above, the City shall reimburse Attorney for all reasonable and necessary expenses which may be paid or incurred by him on behalf of the City in the bringing of any action, suit or proceeding or in the transaction of any and all City business. Such expenses include, but are not limited to: all filing fees, deposition expenses, service of process fees, and other expenses or third party costs incurred by Attorney in representation of the City or its duly elected or appointed officers. The City shall further reimburse Attorney for his transportation, food, lodging and registration costs of attendance for two WSAMA conferences per year, shared proportionally with Attorney's other municipal clients, which expenses shall be reimbursed in accordance with City policy.

2. Relation of Parties:

Attorney, its sub-Contractors, agents and employees are independent Contractors performing professional services for the City and are not employees of the City. Attorney, its sub-Contractors, agents and employees shall not, as a result of this Agreement, accrue leave, retirement, insurance, bonding or any other benefits afforded to City employees. The Attorney, sub-Contractors, agents and employees shall not have the authority to bind the City in any way except as may be specifically provided herein.

3. Time of Performance:

The service of Attorney shall be of indefinite duration, subject to termination with or without cause, by either party upon 90 days written notice to the other party.

4. Conflict of Interest:

Attorney shall devote all the time necessary to perform the services herein, but shall not be prevented or barred from taking on other employment in his independent law practice, whether or not that employment is similar in nature to the services to be performed herein. However, Attorney shall not represent or advise employees of the City where the interest of the employee may be in conflict with that of the City. Attorney shall also not perform services for others where a conflict of interest or an ethical violation, as defined in the Washington State Bar Rules of Professional Conduct, may exist pursuant to Attorney's representation of the City herein. When such a conflict of interest or ethical violation may exist, Attorney shall immediately notify the City of such potential conflict or violation. Attorney shall then withdraw as counsel for the opposing party, as required to avoid any further conflict of interest or ethical violation, unless the City agrees to waive such conflict at its sole discretion.

5. Compensation and Schedule of Payments:

City shall pay Attorney at the rates indicated in Section 1 for work performed under the terms of this Agreement. This is the maximum amount to be paid under this Agreement and it shall not be exceeded without City's prior written authorization in the form of a negotiated and executed supplemental agreement. Such payment shall be full

compensation for work performed or services rendered and for all labor, materials, supplies, equipment and incidentals necessary to complete the work as set forth herein. Attorney shall submit monthly invoices to City covering both professional fees and reimbursable expenses, if any. Payments to Attorney shall be made within thirty (30) days from submission of each invoice.

City reserves the right to correct any invoices paid in error according to the rates set forth in this Agreement. City and Attorney agree that any amount paid in error by City does not constitute a rate change in the amounts agreed upon herein.

6. Ownership of Records and Documents:

All materials, writings and products produced by Attorney in the course of performing this Contract shall immediately become the joint property of City and Attorney. In consideration of the compensation provided for by this Agreement, Attorney hereby further assigns all copyright interests in such materials, writing and products to City. Attorney may retain a copy.

7. Suspension and Termination:

This Agreement may be terminated by either party pursuant to Section 3.

8. Evaluation and Compliance with the Law:

Attorney shall have the authority to control and direct the performance and details of the services to be performed herein. Attorney agrees to comply with all relevant federal, state and municipal laws, rules and regulations.

9. Liability and Hold Harmless:

Attorney shall take all precautions necessary and shall be responsible for the safety of his employees, agents, and sub-contractors in the performance of the work hereunder. All work shall be done at Attorney's risk. Attorney shall defend, indemnify, save and hold harmless the City, its officers, agents, employees and assigns from any claims, damages, losses, liability, expenses and attorney's fees to the extent they arise from Attorney's negligent performance of this Agreement, except those which arise from the sole negligent acts or omissions of the City, its officers, agents, employees or assigns. The City shall defend, indemnify, save and hold harmless Attorney, its officers, agents, employees and assigns from any claims, damages, losses, liability, expenses and attorney's fees to the extent they arise from the City's negligence, except those which arise from the sole negligent acts or omissions of Attorney, its officers, agents, employees or assigns. If both the City and Attorney are concurrently negligent, the parties shall be required to indemnify and defend only in proportion to their separate negligence. The City shall also defend, indemnify, save and hold harmless Attorney, its officers, agents, employees and assigns from any and all claims arising out of the good faith performance of his duties for services provided within the scope of this Agreement, and within the confines of applicable ethical rules and in compliance with existing law, but not arising out of acts performed outside of the scope of Attorney's requested services, or for any acts of misconduct or alleged

violations of existing law.

10. Liability Insurance:

- a. Commercial General Liability, Professional Liability and Malpractice Insurance. Attorney shall obtain and keep in force Commercial General Liability insurance with a limit not less than \$100,000.00 for each occurrence, Professional Liability (errors and omissions), to include malpractice coverage, not less than \$500,000.00 for each occurrence, and a \$1,000,000.00 General Aggregate Limit, for the entire term of this Agreement.
- b. Worker's Compensation. Attorney shall take out and maintain during the life of this Agreement, worker's compensation insurance for all its employees engaged in work under this Agreement who are required to be so covered by the laws of the State of Washington.
- c. Employment Security. Attorney shall comply with all employment security laws of the state in which services are provided, and shall timely make all required payments in connection therewith.

11. Confidentiality:

Attorney agrees to keep all of the information provided by City in the context of this Agreement confidential for the term of this Agreement and thereafter, unless the Attorney-Client privilege is specifically waived, in writing, by an individual authorized to waive this privilege. This applies to all information and communications, including electronic communications, unless available to the public through a public records request and otherwise not subject to a specific exemption.

12. Qualifications:

Throughout the term of this Agreement, the Attorney shall be an attorney licensed by the State of Washington and a member in good standing of the Washington State Bar.

13. Non-Exclusive Contract and Excluded Services:

This is a non-exclusive contract. This Agreement does not include the provision of the following services: (1) Prosecution of crimes, which shall be provided by the City's Prosecuting Attorney under a separate Agreement; (2) Code enforcement matters, unless specifically requested by City. The parties acknowledge that it may be necessary from time to time for the City to retain other legal counsel. Legal matters requiring other counsel may include, but are not limited to bond issues, pension and deferred compensation matters, labor negotiations, employment matters, complex litigation, cases referred to attorneys selected by City's insurers, and matters involving specialized areas of practice where the City's interest would be best served by retaining other counsel. In addition, other counsel may be required if Attorney has a conflict of interest, which precludes his representation of the City. The City may also employ an Assistant City Attorney through a separate Agreement, to assist the City and Attorney as needed.

14. Notices:

All notices which are given or required to be given pursuant to this Agreement shall be hand delivered or mailed first-class mail, postage paid, as follows:

City:

City of White Salmon
100 N Main St
PO Box 2139
White Salmon, WA 98672

Attorney:

Kenneth B. Woodrich PC
Attorney at Law
3205 F Street
Vancouver, WA 98663

15. Amendments/Non-Assignment:

This Agreement shall not be altered, changed, or amended, except by an instrument in writing executed by both parties hereto. Any changes in the scope of services or compensation shall be mutually agreed upon between City and Attorney and shall be incorporated in written amendments to this Agreement. Attorney shall not assign or subcontract any portion of this Agreement without prior written consent of the City.

16. Scope of Agreement:

This Agreement incorporates all the agreements, covenants and understanding between the parties hereto and are merged into this written Agreement. No prior agreement or prior understanding, verbal or otherwise, of the parties or their agents shall be valid or enforceable unless set forth in this Agreement.

17. Ratification:

Acts taken pursuant to this Agreement, but prior to its effective date, are hereby ratified and confirmed.

18. Governing Law/Venue:

This Agreement shall be deemed to have been executed and delivered within the State of Washington and the rights and obligations of the parties hereunder shall be construed and enforced in accordance with, and governed by the laws of the State of Washington without regard to the principles of conflict of laws. Any action or suit brought in connection with this Agreement shall be brought in the Superior Court of Klickitat County, Washington.

[Signatures appear on next page]

DATED this _____ day of _____, 2021.

CITY OF WHITE SALMON, a Municipal Corporation:

KENNETH B. WOODRICH, PC:

MARLA KEETHLER, MAYOR



KENNETH B. WOODRICH, WSBA #19654

ATTEST:

City Clerk Treasurer

File Attachments for Item:

C. 2022 WAGAP Youth Center Agreement



CONSENT AGENDA MEMO

Needs Legal Review: Yes
Council Meeting Date: December 1, 2021
Agenda Item: Agreement with Washington Gorge Action Programs for Youth Center Services
Presented By: Jan Brending, Clerk Treasurer

Action Required

Authorization for mayor to sign agreement with Washington Gorge Action Programs providing \$12,000 in return for Youth Center services for 2022.

Proposed Motion

None unless pulled from consent agenda. If pulled from the consent agenda, then proposed motion is as follows:

Motion to authorize the mayor to sign agreement with Washington Gorge Action Programs providing \$12,000 in return for Youth Center services in 2022.

Explanation of Issue

The proposed agreement is the same agreement the city has used for a number of years providing for \$12,000 for services. Funding is included in the city's proposed 2022 budget.

Staff Recommendation:

Staff recommends the city council authorize the mayor to sign the agreement with Washington Gorge Action Programs providing \$12,000 in return for Youth Center services for 2022.

AGREEMENT

BETWEEN WASHINGTON GORGE ACTION PROGRAMS AND THE CITY OF WHITE SALMON

This Agreement (which hereinafter may be referred to as the “AGREEMENT”), by and between Washington Gorge Action Programs (which hereinafter may be referred to as “WGAP”), a Washington nonprofit corporation pursuant to RCW Title 24, and the City of White Salmon, a Washington municipal corporation (which may hereinafter be referred to as “City”).

RECITALS

WHEREAS WGAP operates a Youth Center, which Youth Center provides opportunities and pastimes for youth in a geographical area that includes the City of White Salmon; and

WHEREAS the City is informed and believes that the Youth Center has a generally positive affect on the youth of the city as well as the surrounding area; and

WHEREAS the Youth Center helps discourage some youth from mischief, both of criminal and civil in nature and may encourage some youth to stay in the City and surrounding geographical area; and

WHEREAS the City desires that its public areas, including parks, to be kept neat and orderly in appearance; and

WHEREAS WGAP has agreed to spend such time as its resources allow to assist keeping the public areas of White Salmon neat and orderly.

NOW, THEREFORE, the parties agree as follows:

1. The recitals are accurate.
2. The City of White Salmon shall pay WGAP for the benefit of the WGAP Youth Center, the sum of Twelve Thousand and No Cents (\$12,000.00) for the year 2022.
3. During such year, WGAP shall assist, as its resources allow, in keeping the public areas of the City of White Salmon neat and orderly.
4. Such assistance will be in the manner and at such times as WGAP determines is appropriate. The City shall not direct or control WGAP’s assistance.
5. This agreement does not constitute an employment or personal services agreement.
6. Each party agrees to hold harmless and indemnify the other party, its elected officials, employees, representatives, and agents from any claim, action, injury to person or

File Attachments for Item:

D. 2022 Interlocal Agreement with City of Bingen, Treatment Plant Funding (\$15.25 per ERU)



CONSENT AGENDA MEMO

Needs Legal Review: Yes
Council Meeting Date: December 1, 2021
Agenda Item: Interlocal Agreement with Bingen Setting 2022 ERU Rate for Treatment Plant Funding
Presented By: Jan Brending, Clerk Treasurer

Action Required

Authorization for mayor to sign interlocal agreement with City of Bingen setting the 2022 ERU rate in the amount of \$15.25 per ERU.

Proposed Motion

None unless pulled from consent agenda. If pulled from the consent agenda, then proposed motion is as follows:

Motion to authorize the mayor to sign interlocal agreement with City of Bingen setting the 2022 ERU rate in the amount of \$15.25 per ERU (equivalent residential unit).

Explanation of Issue

The City of Bingen treats all White Salmon wastewater. Bingen has established a separate fund for the operation and maintenance of the wastewater treatment plant. Each city pays equally into the operation and maintenance fund based on a rate per ERU. The current rate is \$15.00 per ERU.

The proposed interlocal agreement increases the ERU rate by \$0.25 to \$15.25. The rate increase in the past has been \$0.25 per ERU each year.

The City of Bingen will be reviewing the interlocal agreement at their December 7th city council meeting.

Staff Recommendation:

Staff recommends the city council authorize the mayor to sign the interlocal agreement with the City of Bingen setting the 2022 ERU rate in the amount of \$15.25 per ERU (equivalent residential unit).

INTERLOCAL AGREEMENT

BETWEEN THE CITY OF BINGEN AND CITY OF WHITE SALMON

This Interlocal Agreement (which hereinafter may be referred to as the “AGREEMENT”), is entered into by and between the City of Bingen (which may hereinafter be referred to as “Bingen”), a Washington municipal corporation, and the City of White Salmon (which may hereinafter be referred to as “White Salmon”), a Washington municipal corporation, pursuant to the Interlocal Cooperation Act, RCW Chapter 39.34.

PURPOSE AND RECITALS

1. Bingen operates and maintains the Bingen Wastewater Treatment Plant.
2. Bingen accepts and treats White Salmon wastewater at the Bingen Wastewater Treatment Plant.
3. Bingen and White Salmon entered into an agreement for the purpose of “providing effective management of the jointly utilized Bingen Wastewater Treatment and Disposal Facility” on March 5, 1991 and as amended June 6, 1995.
4. Said agreement provides that Bingen and White Salmon shall pay an equal monthly amount per residential equivalency (ERU) into the operation and maintenance fund for the Bingen Wastewater Treatment Plant.
5. Bingen and White Salmon have made payments into the operation and maintenance fund based on the number of ERUs billed by each entity each month.
6. Bingen makes payments into the operation and maintenance fund monthly through an interfund transfer.
7. White Salmon makes payments to Bingen by way of a check and Bingen deposits those funds into the operation and maintenance fund.
8. Bingen and White Salmon are currently using a ~~\$14.75~~ \$15.00 per ERU monthly payment to the operation and maintenance fund.
9. The parties wish to establish a formal agreement for the per ERU monthly payments to be paid into the operation and maintenance fund for the Bingen Wastewater Treatment Plant jointly used by Bingen and White Salmon.
10. This interlocal agreement is not intended to replace or modify the above referenced March 5, 1991 and as amended June 6, 1995 interlocal agreement, but only to fix the amount of the monthly per ERU payment to the operation and maintenance fund.

11. White Salmon Municipal Code 13.16.080 provides that White Salmon and Bingen shall establish by interlocal agreement an allocation for White Salmon’s cost of operating the wastewater collection system and an allocation for payment to the City of Bingen for treating White Salmon’s wastewater.

12. The parties do not contemplate the formation of a separate legal or administrative entity and do not contemplate any property shall be acquired which shall require disposal upon termination of this agreement.

NOW THEREFORE, the parties agree as follows:

1. The parties agree that the recitals are accurate.
2. For the year ~~2021~~ 2022, the parties agree that for each ERU billed for wastewater treatment and services, ~~\$15.00~~ \$15.25 of the fee shall be allocated to operation and maintenance of the Bingen Wastewater Treatment Plant.
3. This AGREEMENT shall be in effect January 1, ~~2021~~ 2022 through December 31, ~~2021~~ 2022 unless renewed by joint agreement of the parties.
4. If any provision hereof or its application is held invalid, the remainder of the provisions hereof shall not be affected.

IN WITNESS WHEREOF, the parties have signed this AGREEMENT, effective on the last date indicated below.

CITY OF BINGEN

CITY OF WHITE SALMON

Betty J. Barnes, Mayor Date

Marla Keethler, Mayor Date

ATTEST:

Dena Riggelman, Deputy Clerk Date

Jan Brending, City Clerk Date

Approved as to form:

Christopher R. Lanz Date
Bingen City Attorney

Kenneth Woodrich Date
White Salmon City Attorney

File Attachments for Item:

E. Personal Services Contract Amendment, Anderson Perry 14-Inch Main Line Design, Amendment No. 1 (from \$750,000 to \$770,859)



CONSENT AGENDA MEMO

Needs Legal Review: Yes
Council Meeting Date: December 1, 2021
Agenda Item: Personal Services Contract, Anderson Perry – 14-Inch Transmission Main Project, Engineering Services
Presented By: Jan Brending, Clerk Treasurer

Action Required

Authorization for mayor to sign Amendment No. 1 to the personal services contract with Anderson Perry for engineering services related to the design of the 14-inch Transmission Main increasing the cost of the contract from \$750,000 to \$770,859 – an increase of \$20,859.

Proposed Motion

None unless pulled from consent agenda. If pulled from the consent agenda, then proposed motion is as follows:

Motion to authorize the mayor to sign Amendment No. 1 to the personal services contract with Anderson Perry for engineering services related to the design of the 14-inch Transmission Main increasing the cost of the contract from \$750,000 to \$770,859 – an increase of \$20,859.

Explanation of Issue

The city entered into a contract with Anderson Perry in April of 2022 for engineering services related to the city's 14-Inch Transmission Main project. The original cost of the contract was \$750,000. The city has a Public Works Trust Fund loan that covers the original contract price. Additional design services are needed to provide for telemetry between Buck Creek Treatment Plant and the Buck Creek Monitoring Station. See attached amendments for additional information. The additional costs will come from the city's water fund.

Staff Recommendation:

Staff recommends the city council authorize the mayor to sign Amendment No. 1 to the personal services contract with Anderson Perry for engineering services related to the design of the 14-inch Transmission Main increasing the cost of the contract from \$750,000 to \$770,859 – an increase of \$20,859.



AMENDMENT NO. 1
TO AGREEMENT BETWEEN CLIENT AND ENGINEER FOR
PROFESSIONAL SERVICES

Job No. 250-11

PROJECT: TRANSMISSION MAIN IMPROVEMENTS PROJECT - DESIGN ENGINEERING SERVICES

PART I. PARTIES AND DESCRIPTION OF WORK

THIS AMENDMENT, made this 1st day of December 2021, amends the AGREEMENT between the CITY OF WHITE SALMON, WASHINGTON (the OWNER) and ANDERSON PERRY & ASSOCIATES, INC. (the CONSULTANT) dated April 2, 2020.

This AMENDMENT modifies the agreement to include the following:

CONSULTANT SERVICES

The Scope of Services is hereby modified to include the following additional design services.

1. Additional work provided by the CONSULTANT includes the design needed for fiber optic infrastructure (conduit, access boxes, and fiber) to be installed between the Buck Creek Water Treatment Plant (WTP) and the Buck Creek Monitoring Station. This work represents the first step in providing a communication link to the Buck Creek WTP. The means for linking the Buck Creek Monitoring Station to the City's supervisory control and data acquisition (SCADA) system still needs to be identified and designed and would be addressed through a future amendment.

COMPENSATION FOR SERVICES

In consideration for performing the services outlined in this Amendment, the OWNER agrees to compensate the CONSULTANT as follows: On a time and materials basis, based on the attached Hourly Fee Schedule, not to exceed \$20,859. This Amendment increases the total project budget from \$750,000 to \$770,859.

All other provisions of the AGREEMENT shall remain the same.

CONSULTANT
ANDERSON PERRY & ASSOCIATES, INC.

OWNER
CITY OF WHITE SALMON, WASHINGTON

Jake Hollopeter, P.E.

Name

Signature

Vice President

Title

Name

Signature

Title

HOURLY FEE SCHEDULE

April 1, 2021

PROFESSIONAL TECHNICAL STAFF

TECHNICIANS	ENGINEERING	ARCHAEOLOGY
Technician I\$ 50.00	Engineering Technician I \$ 95.00	Archaeological Technician I.....\$ 50.00
Technician II\$ 60.00	Engineering Technician II \$100.00	Archaeological Technician II.....\$ 55.00
Technician III\$ 70.00	Engineering Technician III \$105.00	Staff Archaeologist I.....\$ 65.00
Technician IV\$ 80.00	Engineering Technician IV \$110.00	Staff Archaeologist II.....\$ 70.00
Technician V\$ 85.00	Engineering Technician V \$115.00	Project Archaeologist I.....\$ 75.00
Technician VI.....\$ 90.00	Staff Engineer I \$110.00	Senior Archaeologist I.....\$ 95.00
Technician VII.....\$ 95.00	Staff Engineer II \$120.00	Senior Archaeologist II.....\$115.00
Senior Technician I\$100.00	Project Engineer I \$125.00	
Senior Technician II\$110.00	Project Engineer II \$130.00	PROJECT REPRESENTATIVES
Senior Technician III\$115.00	Project Engineer III \$135.00	Project Representative I\$ 95.00
Senior Technician IV\$120.00	Project Engineer IV \$140.00	Project Representative II\$100.00
Senior Technician V\$125.00	Project Engineer V \$150.00	Project Representative III.....\$105.00
Senior Technician VI.....\$130.00	Project Engineer VI \$155.00	Project Representative IV\$110.00
Senior Technician VII.....\$135.00	Project Engineer VII \$160.00	
Senior Technician VIII.....\$160.00	Senior Engineer I \$165.00	OVERTIME
Senior Technician IX.....\$175.00	Senior Engineer II \$170.00	Overtime Surcharge\$ 35.00
	Senior Engineer III \$175.00	
	Senior Engineer IV \$185.00	
	Senior Engineer V \$190.00	
	Senior Engineer VI \$195.00	
	Senior Engineer VII \$200.00	
	Senior Engineer VIII \$215.00	

SURVEYORS AND CREWS

Survey Technician I\$ 65.00	Professional Land Surveyor I ... \$120.00	Total Station\$ 23.00
Survey Technician II\$ 80.00	Professional Land Surveyor II .. \$135.00	ATV (4-hour minimum)\$ 30.00
Survey Technician III\$ 85.00	Professional Land Surveyor III . \$145.00	Resource Grade GPS\$ 20.00
Survey Crew Chief I\$ 90.00	Professional Land Surveyor IV . \$165.00	Electrofisher.....\$ 25.00
Survey Crew Chief II\$ 95.00	Professional Land Surveyor V .. \$175.00	Unmanned Aircraft System
Survey Crew Chief III\$100.00	GPS Total Station\$ 40.00	(UAS/Drone)\$ 45.00
	Robotic Survey Station\$ 30.00	GIS RTK GPS/GNSS Unit.....\$ 30.00

OUT OF TOWN WORK

Mileage will be charged at the applicable IRS rate for vehicles, which is \$0.56 per mile for standard highway vehicles as of January 1, 2021. Mileage will be charged at \$0.75 per mile for vans and pickup trucks. Subsistence will be charged either per diem or actual cost, per contract. Lodging will be billed at actual cost.

OTHER

Other miscellaneous, direct, and outside expenses, including special Consultants, will be charged at actual cost plus 10%.

Expert Witness will be charged at two times the standard hourly rate.

All accounts unpaid 30 days after date of invoice may be charged a service fee of 1.0% per month.

File Attachments for Item:

A. Ordinance 2021-11-1088, Amending WSMC 13.16.025 Monthly Water Fees

1. Presentation

2. Public Hearing

3. Discussion and Action



AGENDA MEMO

Needs Legal Review: Yes
 Meeting Date: December 1 2021
 Agenda Item: Ordinance 2021-12-1088, Amending WSMC 13.16.025 Monthly Water Fees
 Presentation: Jan Brending, Clerk Treasurer

Action Required

Adoption of Ordinance 2021-12-1088, Amending WSMC 13.16.025 Monthly Water Fees

Proposed Motion

Motion to adopt Ordinance 2021-12-1088, Amending WSMC 13.16.025 Monthly Water Fees upon second reading.

Explanation of Issue

The City has a current rate structure provided in its city code (see attached) that provides specific rate increases through 2022. Because of recent loans the city has received and rising costs, staff believes it is necessary to increase the base water rate by 5% above the allowed rate for 2022. Increased water rates will also allow the city to set aside funds for future improvements. Most of the loans and/or grants the city receives have a matching fund requirement.

During 2022 staff will be working the city's engineer to develop an updated water and wastewater billing scheduled for the next five years 2023-2027.

The table below shows the current rate structure for 2021, the current 2022 rate structure and the proposed rate structure for 2022.

	Ordinance 2021	Ordinance 2022	Proposed 2022
Residential			
Inside	41.52	42.53	44.66
Outside	61.14	62.60	65.73
ADU Residential			
Inside	53.99	55.29	58.05
Outside	79.48	81.38	85.45
Commercial/Other			
5/8 - Inch Inside	41.53	42.53	44.66
5/8 - Inch Outside	61.14	62.60	65.73
1-Inch Inside	78.77	80.66	84.69
1-Inch Outside	113.66	116.39	122.21
1.5-Inch Inside	187.09	191.58	201.16
1.5-Inch Outside	265.48	271.86	285.45
2-Inch Inside	339.01	347.16	364.52
2-Inch Outside	478.35	489.83	514.32
4-Inch Inside	1358.42	1,391.02	1,460.57
4-Inch Outside	1916.73	1,962.73	2,060.87



Recommendation of Staff/Committee

Staff and the Personnel and Finance Committee recommends the city council adopt Ordinance 2021-12-1088, Amending WSMC 13.16.025 Monthly Water Fees.

**CITY OF WHITE SALMON
ORDINANCE NO. 2021-12-1088**

AN ORDINANCE OF THE CITY OF WHITE SALMON, WA, AMENDING WHITE SALMON MUNICIPAL CODE 13.16.025 REVISING WATER MONTHLY FEES, REPEALING SECTIONS AND PROVIDING FOR SEVERABILITY AND AN EFFECTIVE DATE

WHEREAS, the city council has reviewed the current rate schedule for monthly water fees and has determined that an increase in the 2022 basic rates are necessary to meet the operations and maintenance, debt service and capital reserve requirements; and

NOW THEREFORE, THE CITY COUNCIL OF THE CITY OF WHITE SALMON DO ORDAIN AS FOLLOWS: by the City Council of the City of White Salmon that the following amendments be made to White Salmon Municipal Code Chapter 13.16.025:

SECTION 1 – Amendment to WSMC 13.16.025

Section 13.16.025 is hereby amended to read:

Key: Underlined = added language
~~Strikethrough~~ = deleted language

13.26.025 Monthly water fees.

The following monthly water fees apply to water users as listed below. As it is used herein the term "water users" shall mean anyone having paid a connection fee, regardless of whether water is being used. All charges follow the meter regardless of who owns the property being served. Billing for new customers shall begin the month following payment of the connection fee.

A. Residential Monthly Fees.

Basic Rate:

Residential	2018	2019	2020	2021	2022	WRAF* Surcharge
Inside	38.98	39.61	40.60	41.52	42.53 <u>44.66</u>	\$6.25
Outside	57.39	58.30	58.76	61.14	62.60 <u>65.73</u>	\$6.25

*Water Rights Acquisition Fund

Water use:

In addition to the Basic Rate, water users will be charged for water use per one thousand gallons or part thereof according to the following schedule:

Residential	2018	2019	2020	2021	2022
1 st Tier Block 1-5,000 gallons	1.09	1.11	1.14	1.16	1.19
2 nd Tier Block 5,001-15,000 gallons	2.76	2.80	2.87	2.94	3.01
3 rd Tier Block 15,001 + gallons	3.69	3.75	3.84	3.93	4.03

B. Residential with ADU Monthly Fees.

Basic Rate:

Residential	2018	2019	2020	2021	2022	WRAF* Surcharge
Inside	50.68	51.49	52.78	53.99	55.29 58.05	\$6.25
Outside	74.61	75.79	76.69	79.48	81.38 85.45	\$6.25

*Water Rights Acquisition Fund

Water use: In addition to the Basic Rate, water users will be charged for water use per one thousand gallons or part thereof according to the following schedule:

Residential	2018	2019	2020	2021	2022
1 st Tier Block 1-5,000 gallons	1.09	1.11	1.14	1.16	1.19
2 nd Tier Block 5,001-15,000 gallons	2.76	2.80	2.87	2.94	3.01
3 rd Tier Block 15,001 + gallons	3.69	3.75	3.84	3.93	4.03

C. Commercial and Irrigation Water Users.

Basic Rate (according to meter size):

Customer Class	2018	2019	2020	2021	2022	WRAF* Surcharge
5/8-inch Inside	38.98	39.61	40.60	41.53	42.53 <u>44.66</u>	\$6.25
5/8-inch Outside	57.39	58.30	58.76	61.14	62.60 <u>65.73</u>	\$6.25
1-inch Inside	73.94	75.12	77.00	78.77	80.66 <u>84.69</u>	\$7.50
1-inch Outside	106.69	108.40	111.11	113.66	116.39 <u>122.21</u>	\$7.50
1.5-inch Inside	175.62	178.43	182.85	187.09	191.58 <u>201.16</u>	\$7.50
1.5-inch Outside	249.20	253.19	259.51	265.48	271.86 <u>285.45</u>	\$7.50
2-inch Inside	318.20	323.31	331.39	339.01	347.16 <u>364.52</u>	\$8.00
2-inch Outside	449.00	456.09	467.59	478.35	489.83 <u>514.32</u>	\$8.00
4-inch Inside	1,275.09	1,295.49	1,327.88	1,358.42	1,391.02 <u>1,460.57</u>	\$30.00
4-inch Outside	1,794.15	1,827.94	1,873.64	1,916.73	1,962.73 <u>2,060.87</u>	\$30.00

*Water Rights Acquisition Fund

Water use:

In addition to the Basic Rate, water users will be charged for water use per one thousand gallons or part thereof according to the following schedule:

Meter Size	Tier Block	2018	2019	2020	2021	2022
5/8 – 3/4 inch	0 – 5,000 gallons	1.09	1.11	1.14	1.16	1.19
5/8 – 3/4 inch	5,001 – 15,000 gallons	2.76	2.80	2.87	2.94	3.01
5/8 – 3/4 inch	15,001+ gallons	3.69	3.75	3.84	3.93	4.03
1 inch	0 – 10,000 gallons	1.09	1.11	1.14	1.16	1.19
1 inch	10,001 – 25,000 gallons	2.76	2.80	2.87	2.94	3.01
1 inch	25,001+ gallons	3.69	3.75	3.84	3.93	4.03
1.5 inch	0 – 12,000 gallons	1.09	1.11	1.14	1.16	1.19
1.5 inch	12,001 – 40,000 gallons	2.76	2.80	2.87	2.94	3.01
1.5 inch	40,001+ gallons	3.69	3.75	3.84	3.93	4.03

2 inch	0 – 40,000 gallons	1.09	1.11	1.14	1.16	1.19
2 inch	40,001 – 100,000 gallons	2.76	2.80	2.87	2.94	3.01
2 inch	100,001+ gallons	3.69	3.75	3.84	3.93	4.03
3 inch	0 – 48,000 gallons	1.09	1.11	1.14	1.16	1.19
3 inch	48,001 – 160,000 gallons	2.76	2.80	2.87	2.94	3.01
3 inch	160,001+ gallons	3.69	3.75	3.84	3.93	4.03
4 inch	0 – 85,000 gallons	1.09	1.11	1.14	1.16	1.19
4 inch	85,001 – 280,000 gallons	2.76	2.80	2.87	2.94	3.01
4 inch	280,001+ gallons	3.69	3.75	3.84	3.93	4.03
6 inch	0 – 192,000 gallons	1.09	1.11	1.14	1.16	1.19
6 inch	192,001 – 640,000 gallons	2.76	2.80	2.87	2.94	3.01
6 inch	640,001+ gallons	3.69	3.75	3.84	3.93	4.03

D. Private Fire Service.

All customers connected to a water line for private fire services will be charged the monthly commercial Basic Rate in addition to regular commercial use rates.

Customer Class	2018	2019	2020	2021	2022
4-inch Inside	15.79	16.04	16.44	16.82	17.23
4-inch Outside	23.24	23.61	24.21	24.76	25.36

E. All rates shall be subject to an automatic annual rate of three percent (3%), beginning January 1, 2023, unless modified by City Council prior to the adjustment date.

F. The owner or operator of each multiple residential facility shall pay the applicable base monthly Residential Basic Rate, based on location (inside or outside city) and classification (apartments and multi-plexes versus ADU's), times the number of units, plus water usage charges for residential users.

G. Combination residential/commercial users shall be charged at the following rate, whichever is greater:

1. The monthly Residential Basic Rate based on location (inside or outside city) and classification (apartments and multi-plexes versus ADU's), times the number of units, plus water usage charges applicable to residential users, or
2. The monthly Commercial and Irrigation Water User Basic based upon the location (inside or outside city) and meter size, plus water usage charges applicable to commercial or irrigation water users.

H. Miscellaneous Services Charges.

Charge Description	In City	Outside City
Service Call Fee	\$40.00*	\$56.00*
Shut-off for Non-payment	\$40.00*	\$46.00*
New Account Fee	\$25.00	\$33.00
Late Charge-Delinquent Fee	\$10.00	\$10.00

*After Working Hours additional \$100.00

No later charge or delinquent fee shall be charged against any municipal corporation or political subdivision of the state.

- I. Date of Imposition of Monthly Fee. Monthly water fees shall be charged from the date of meter installation and shall continue until the meter is removed.
- J. Credit for monthly water fees for irrigation users during period of low water usage.
 1. The clerk-treasurer may grant an irrigation water user a credit against future monthly water fees if the irrigation user affirmatively established each of the following conditions to the satisfaction of the clerk-treasurer:
 - a. During any period of at least three months but not more than six months, the average monthly water use per irrigation meter was less than one thousand gallons; and
 - b. The application for credit is submitted to the clerk-treasurer within thirty days after the first month of the period for which the credit is requested.
 2. The credit shall be the difference between the applicable monthly water fee and the lowest monthly water fee for irrigation users then in effect, based upon the user's location (in city or outside city).
 3. Nothing in this section shall be interpreted to require any refund of monthly water fees by the city to any water user.
 4. No credit shall be granted unless monthly water fees for the period claimed have been paid on or before the date due.
 5. Credits authorized under this section shall apply only to irrigation water used after November 1, 1996.
 6. Only one credit per period of not more than six months shall be granted per irrigation water user per year.
 7. Prior to processing a request for credit under this section, the clerk-treasurer shall collect an administrative fee of ten dollars per application for credit.

SECTION 2 - SEVERABILITY.

If any section, sentence, or phrase of this Chapter is held to be invalid or unconstitutional by a court of competent jurisdiction, such invalidity or unconstitutionality shall not affect the validity or constitutionality of any other section, sentence or phrase of this Chapter.

SECTION 4 - EFFECTIVE DATE.

This ordinance shall become effective following passage and publication as provided by law.

PASSED in regular session this 1st day of December, 2021

Marla Keethler, Mayor

Jan Brending, Clerk/Treasurer

Approved as to form:

Kenneth B. Woodrich, City Attorney

File Attachments for Item:

B. Proposed 2022 Budget, Ordinance 2021-12-1089 Adopting the 2022 Budget

1. Presentation

2. Public Hearing

3. Discussion and Action



AGENDA MEMO

Needs Legal Review: No
Meeting Date: December 1, 2021
Agenda Item: Proposed 2022 Budget
Presentation: Marla Keethler, Mayor and Jan Brending, Clerk Treasurer

Action Required

Adoption of Ordinance 2021-12-1089, Adopting the Budget for the City of White Salmon, Washington, for the Fiscal Year Ending December 31, 2022.

Proposed Motion

Move to adopt Ordinance 2021-12-1089, Adopting the Budget for the City of White Salmon, Washington, for the Fiscal Year Ending December 31, 2022.

Explanation of Issue

Attached is the 2022 Budget Narrative, the 2022 Budget Summary and Ordinance 2021-12-1089 Adopting the 2022 Budget. The line item detail is provided in the "Supporting Documents" section online.

A final public hearing will be held at the December 1 meeting.

The budget is balanced and ending cash balances meet the city's financial policy requirements. The budget demonstrates the need for a 1% increase (as allowed by law) in property taxes.

Recommendation of Staff/Committee

The Mayor and staff recommends the city council adopt the proposed budget for 2022.



CITY OF WHITE SALMON
PROPOSED BUDGET

FISCAL YEAR 2022
AS OF NOVEMBER 10, 2021





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Mayor's Message for the 2022 Budget

To: City of White Salmon City Council and Residents of White Salmon

It is with great appreciation, as well as introspection, that I submit the 2022 budget. We are spending the people's money, and I don't take that responsibility lightly.

The tumult that 2021 brought to civic engagement and governance forced a reckoning for me, as an American and a public servant, about the roles of government and its residents. For our community, the hope at the outset of 2021 felt challenged by forces well beyond our boundaries: an insurrection at the United States Capitol, a challenge to the integrity of our democratic processes, our collective inability to unite against the shared enemy of the ongoing Covid-19 pandemic, and growing pessimism and distrust for anything associated with government.

These forces combined felt like a direct juxtaposition to the hard work and achievements happening on the ground in our community throughout the year. Among the many highlights were:

- A Comprehensive Plan that envisions a diverse, inclusive and prosperous White Salmon;
- Staff and elected official education on implicit biases and training to serve in a way that counteracts them;
- A resolution acknowledging the effects of climate change and creation of a citizen-led board to review proposed policies and City Hall operations to ensure climate-conscious and community-centered approaches (including the purchase of our first hybrid vehicle for BWSPD);
- White Salmon's first selection for a statewide AWC scholarship, awarded to 2021 CHS graduate Jacob Lockman, reinforcing the the importance of supporting our youth's academic aspirations;
- Implementing a form-based system for residents to submit street and litter complaints;
- Continued broad-scale compliance with pandemic restrictions, confirming our community's commitment to the health and safety of our most vulnerable members and the ability of our businesses to maintain operations;
- The noticeable beautification of our parks and downtown areas by our Public Works team, as well as their continued creativity and resilience in maintaining an aging water delivery system that brought its fair share of challenges;
- Community members eager to man cooling stations during rolling heat waves this summer;
- The coordinated, quick, and effective response to a wildfire in city limits among multiple agencies;
- And hiring a land-use planner after an extensive nationwide search that attracted applicants who saw the promise and possibility of our community.

With these milestones and so many others, the negative generalizations were challenged by individuals who consciously and intentionally worked for positive change. As Mayor, I seek to answer this question with our 2022 budget:

How do we continue to face our challenges with an innovative approach that is guided not only by our community's needs and limitations, but also our aspirations?

Finding the best answer to that question isn't a dream, it's a necessity. The reality of municipal budgets in Washington State is that there is only so much revenue we can grow into, while also balancing the core obligations of being an employer and provider of essential services. We must find ways to do both.

I strongly believe that at our city's level we have an advantage that is usually absent in the higher levels of government: the imagination, creativity, and vision that elected officials bring to the table when they are focused on serving their community in a non-partisan, minimally compensated fashion. Balancing that imagination with the realities of our operations is the challenge for a city like White Salmon.

Therefore, the recognition that White Salmon as an entity is a significant employer is front and center in this budget. In a year that brought sharp increases in the cost of living, we responded appropriately with compensation adjusted to be reflective of that dynamic, as well as support long-term growth possibilities for the individuals working on behalf of our community. We also want to set individuals up for success, and this budget accounts for overlap in the transition to a new Clerk/Treasurer as Jan Brending retires after more than 30 years of public service. On spreadsheets that means increased personnel costs. In reality, these are intentional investments in the people that keep this city running.



This budget also reinforces that the administration expects the roles and focus of our employees to be driven by the vision and direction of the elected leadership. The direction given by this council for 2022 focuses on these key areas:

- Public safety and hazard preparedness
- Ensuring residents receive quality, cost-effective services that maintain a sense of community
- Developing and implementing effective communication and outreach
- Reducing food waste at landfills and improving collection of recyclables
- Investing in and strengthening efforts on supporting attainable housing development

I believe this proposed budget emphasizes these areas.

It's important to call out that the dynamic housing market this year meant yet another stressor to the ongoing struggle of achieving affordable housing. However, it also created a significant increase in the real estate excise tax, which is appropriated towards investments in municipal capital improvements. Translating that abundance into investments that are felt by many community members is guided by the council's desire to "invest in existing parks to improve amenities and increase citizen use." Therefore an allocation is directed specifically towards improvements to our playground equipment in Rheingarten, on which this council has been passionately focused for years.

Housing for all continues to be a priority focus for my staff and me, and we are aware of the council's and community's expectations that the planning and discussions translate into action. While a specific housing project is not in this budget, I am confident we will deliver further on this issue in 2022. That means a focus on code updates, stronger alliances with organizations and developers in the affordable housing sector, and city investment, when applicable, to deliver on the needs of the community.

Last year, our budget asked the council to invest in a vision by our police department for a more community-centered approach to policing, especially regarding calls that required assistance for mental health crises. That visionary investment by the council resulted in commitments from other organizations to invest in further supporting this approach, showing how leadership can serve as a lighthouse leading other organizations to follow its ray of possibility, and continues to build into 2022. In addition, as we prepare to implement body cameras on all officers as part of House Bill 1223, the budget reflects a new part-time position for the police department to manage that data.

It must also be acknowledged there are visionary ideas currently before the council that aren't reflected in this budget. Namely the purchase of what is known as the Walker House (originally Rudolf Lauterbach's home) as a community gathering and event space, as well as the city's acquisition of Hwy 141. Both propositions were spurred by a desire to envision what will sustain White Salmon as a viable village-like community in the future and seeing the potential of these local investments to realize broader gains for local businesses. Whether these proposed investments are endorsed by elected leadership remains to be seen, but the mere fact that the council is exploring such forward-thinking ideas reinforces the leadership style I aspire to achieve: one where passion flows into policymaking, challenging the notion that things are pre-determined, in a rut, or settled.

We are but a small piece of the larger pie that constitutes the United States of America, but in many ways our strong civic government and civic engagement feels like a statement against the hyperbole at higher levels. As we work together for the common good, we are proving the experiment of a democratic republic can succeed in benefitting its people.

It is with honor that I continue to humbly accept the charge of running the city responsibly and with purpose. I also graciously ask to be held accountable and challenged to see issues from other viewpoints.

In closing, I would like to express my respect and gratitude to my Department Heads: City Administrator Pat Munyan, Clerk/Treasurer Jan Brending, Public Works Manager Russ Avery, Land Use Planner Brendan Conboy, Police Chief Mike Hepner, and Building Inspector and Fire Chief Bill Hunsaker. Their continued patience in navigating the ongoing Covid-19 pandemic, as well as their daily leadership and ingenuity in serving the city has been greatly appreciated.

Mayor Marla Keethler



White Salmon City Council

Mayor	Marla Keethler
Council Position Member #1	Ashley Post
Council Member Position #2	David Lindley
Council Member Position #3	Jason Hartmann
Council Member Position #4	Jim Ransier
Council Member Position #5	Joe Turkiewicz

White Salmon Department Heads

City Administrator	Patrick Munyan, Jr.
Clerk Treasurer	Jan Brending
Police Chief	Mike Hepner
Fire Chief/Building Official	Bill Hunsaker
Operations Manager	Russ Avery
Land Use Planner	Brendan Conboy

White Salmon City Committees

Personnel and Finance Committee

Jason Hartmann, Chair
David Lindley
Scott Clements

Community Development Committee

Jim Ransier, Chair
Joe Turkiewicz

City Operations Committee

Jason Hartmann, Chair
Ashley Post

Tree Board

David Lindley, Chair
Ashley Post
Karen Black Jenkins
Becky Williams
Virginia Hartnett

Lodging Tax Advisory Committee

Joe Turkiewicz
David Dierck
Tammara Toppel
Julie Burgmeier
Bruce Manclark

CityLab Board

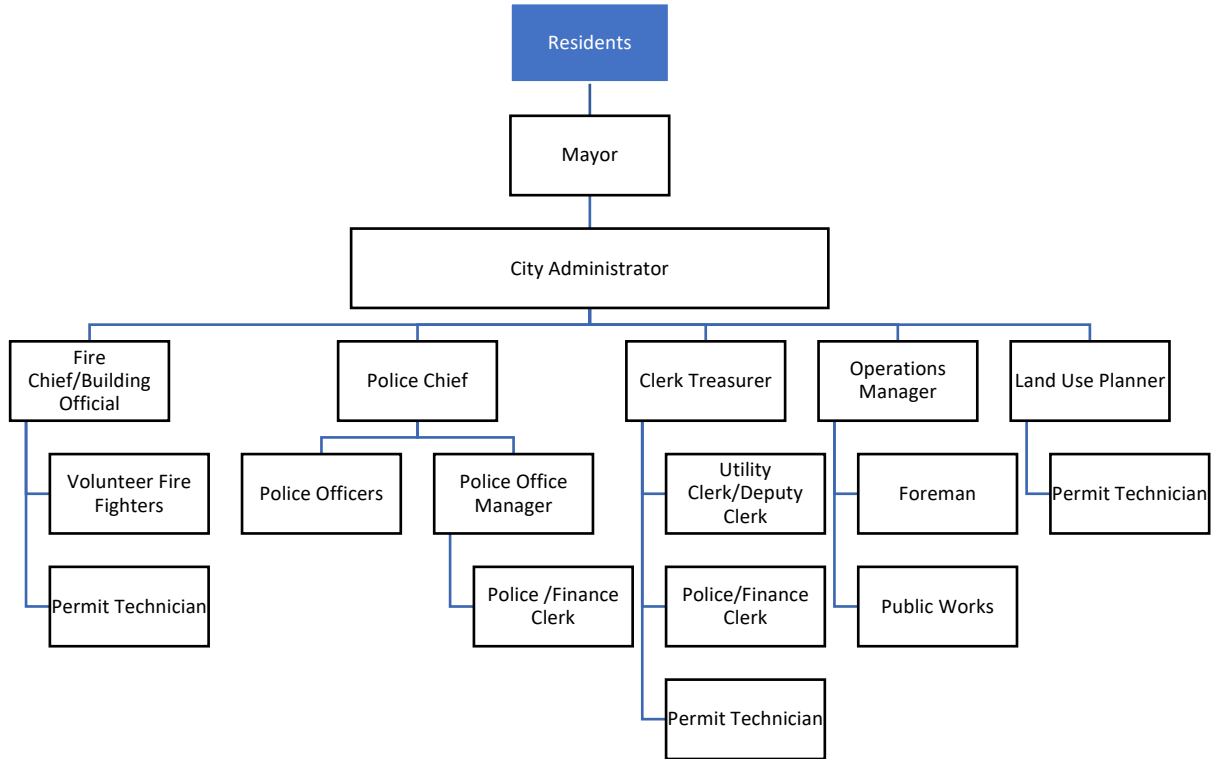
Jim Ransier
Kalama Reuter
Peter Fink
Ruth Olin
Kate Bennett

School Liaison

Jason Hartmann



City Organization Chart





Accounting Policies and Fund Structure

The City of White Salmon was incorporated on June 3, 1907 and operates under the laws of the state of Washington applicable to a class three, non-charter code city with a Mayor-Council form of government. The city is a general purpose local government and provides public safety, fire prevention, street improvement, parks and recreation, water, wastewater collection, and general administrative services.

The city reports financial activity in accordance with the *Cash Basis Budgeting, Accounting and Reporting System* (BARS) Manual prescribed by the State Auditor's Office under the authority of Washington State law, Chapter 43.09 RCW. This manual prescribes a financial reporting framework that differs from generally accepted accounting principles (GAAP) in the following manner:

- Financial transactions are recognized on a cash basis of accounting as described below.
- Component units are required to be disclosed, but are not included in the financial statements.
- Government-wide statements, as defined in GAAP, are not presented.
- All funds are presented, rather than a focus on major funds.
- The *Schedule of Liabilities* is required to be presented with the financial statements as supplementary information.
- Supplementary information required by GAAP is not presented.
- Ending balances are not presented using the classifications defined in GAAP.

Financial transactions of the government are reported in individual funds. The following fund types are used:

GOVERNMENTAL FUND TYPES

General Fund (001 Current Expense)

This fund is the primary operating fund of the government. It accounts for all financial resources except those required or elected to be accounted for in another fund.

101 Street Fund

This fund is the operating fund for the management of the city's streets.

107 Pool Fund

This fund was the operating fund for the management of the city's pool. This fund was closed in 2020 with funds transferred to the Current Expense Fund (originating fund for sources of monies).

Special Revenue Funds

These funds account for specific revenue sources that are restricted or committed to expenditures for specified purposes of the government.

These funds are as follows:

110 Fire Reserve Fund – This fund is used for the purchase of equipment and other capital items associated with and used in the fire department.

112 General Reserve Fund – This fund is used for emergency purposes as determined and approved by the city council. Monies held in this fund are not to be used for recurring costs, general operating costs or planned capital items. The funds may be used for interfund loans provided that the interest rate is a



minimum of two percentage points above the Local Government Investment Pool earning rate and the loan must not exceed a payback period of five years, however it is recommended to not exceed 3 years.

121 Police Vehicle Reserve Fund – This fund is used for the purchase of vehicles and equipment for use in the police department.

303 Hotel/Motel Taxes – This fund is used for tourism promotion, acquisition of tourism-related facilities, or the operation of tourism-related facilities. Funding comes from a 2% lodging tax.

307 New Pool Construction Fund – This fund was established to hold moneys collected by donations, grants, loans or bonds for the construction of a new pool. The monies currently held in this fund are donations. It is the intent of the city, through an Intergovernmental Agreement, to turn the funds over to the White Salmon Valley Pool Metropolitan Park District for construction of a new pool.

Capital Projects Funds

These funds account for financial resources which are restricted, committed, or assigned for the acquisition or construction of capital facilities or other capital assets.

108 Municipal Capital Improvement Fund – This fund is used for capital improvements to the city as designated by the city council.

PROPRIETARY (ENTERPRISE) FUND TYPES

These funds account for operations that provide goods or services to the general public and are supported primarily through user charges.

401 Water – This fund is the operating fund for the city’s water system. All operations and maintenance costs are provided for in this fund. Separate “managerial” funds have been established for capital improvements and debt as provided below.

408 Water Reserve Fund – This fund is used for keeping track of revenues and expenditures for large capital projects.

412 Water Rights Acquisitions Fund - The monies in this fund are used to repay principal and interest related to the debt for acquiring water rights.

412 Water Bond Redemption Fund - This fund is used for repayment of principal and interest related to bonds issued for debt to fund water capital improvements. The city is repaying three bonds from this fund: USDA Tohomish Street, USDA Jewett Blvd., and Berkadia – 1981 Water/Sewer Bonds.

415 Water Bond Reserve Fund – Bond documents require the city to have a water bond reserve fund that establishes a certain level of funding. The purpose of this fund is to have monies available in the case that revenues from the water department are not enough to cover bond payments due.

418 Water Short Lived Asset Reserve Fund – Bond documents require the city to have a water short lived asset reserve fund and those documents establish a certain threshold for monies to be transferred from the water fund. The city may also transfer additional funds to be used for the purchase of short-lived assets when it determines is necessary. For example, the city is currently replacing existing water meters with radio read water meters and has been transferring additional funds each year to cover the costs of these meters. Transfers for this fund have been increased in 2020 to meet the requirements of the city’s new USDA Rural Development loan.



420 USDA Rural Development Jewett Water – This fund is established per requirements of USDA Rural Development to cover the revenues and expenditures associated with the Jewett Water Main Improvements capital project. Future principal and interest payments for the debt incurred for this project will be repaid through the 412 Water Bond Redemption Fund.

402 Wastewater Fund – This fund is the operating fund for the city’s wastewater system. The city contracts with the City of Bingen for the treatment of wastewater. The costs associated with that contract are included in this fund. Separate “managerial” funds have been established for capital improvements and debt as provided below.

409 Wastewater Reserve Fund - This fund is used for keeping track of revenues and expenditures for large capital projects.

414 Wastewater Redemption Fund - This fund is used for repayment of principal and interest related to bonds issued for debt to fund wastewater capital improvements. The city is repaying one bond from this fund: Berkadia – 1981 Water/Sewer Bonds.

417 Treatment Plant Reserve Fund – This fund holds monies as required by an intergovernmental agreement with the City of Bingen to be used for capital improvements to the City of Bingen wastewater treatment plant or, as agreed upon by the two cities, main transmission lines that transmit wastewater from the City of White Salmon to the City of Bingen.

FIDUCIARY FUND TYPES

Fiduciary funds account for assets held by the government in a trustee capacity or as an agent on behalf of others.

601 Remittances – These funds are sent to the City of White Salmon from West District Court. The funds belong to the State of Washington and Klickitat County and are the result of charges and fines assessed by West District related to City of White Salmon cases. The funds are transmitted to the State of Washington and Klickitat County in total each month. In addition, the city collects state fees associated with building permits. These fees are also transmitted to the city on a monthly basis.



Financial Policies

The City of White Salmon adopted financial policies in 2012 via Resolution 2012-07-349. These policies are summarized below.

General Budget Policies

The general budget policies provide overall direction to the formulation and management of the city's budget. These policies also provide direction on fund balances. The policy requires that all operating funds (Current Expense, Street, Water and Wastewater) have a minimum ending fund balance (beginning fund balance) of 10% of its operating expenditures (by fund). In addition, capital improvement funds are required to have a minimum of 15% ending fund balance (beginning fund balance) as related to the originating operating fund.

Revenue Policies

The revenue policies provide direction to the city in maintaining a diversified mix of revenues in order to maintain needed services during periods of declining economic activity and factors to consider when the city's taxes or charges for services are increased, extended, changed or reduced.

Operating Policies

The operating policies provide that ongoing resources should be equal to or exceed ongoing expenditures. One-time funds, transfers and non-recurring receipts may be applied to reserves or to fund one-time expenditures. They are not to be used for funding ongoing programs.

Purchasing and Expenditure Control

The purchasing and expenditure control policies provide that expenditures should be related to a public purpose and are reasonable in the amount and nature.

Contract Management

The contract management policies provide direction as to when and how contracts should be issued. In addition, the city adopted a Procurement Policy via Resolution 2012-07-348.

General Ledger Accounts

The general ledger accounts policy provides for a petty cash fund and how that fund is restored periodically. In addition, the policy provides for how new revenue and expenditure accounts are authorized.

Debt Policy

Debt policy is established through the city's adopted financial policies. These policies address a variety of debt that is available to the city including revenue bonds, local improvement district (LID) debt, short-term debt and interim financing, lines of credit, bond anticipation notes, and limitation of indebtedness.

Investment

The investment policy provides direction as how to manage the city's total cash and investments.

Intergovernmental Revenues and Relations Policies

The financial policies provide direction related to the receipt of grants from other governmental agencies.

Accounting, Auditing, and Financial Reporting Policies

These policies provide that the city will maintain its accounting records in accordance with state and federal laws and regulations.



Fixed Assets

The financial policies provide direction to the definition of fixed assets and capitalization of those assets.

Financial Planning Policies

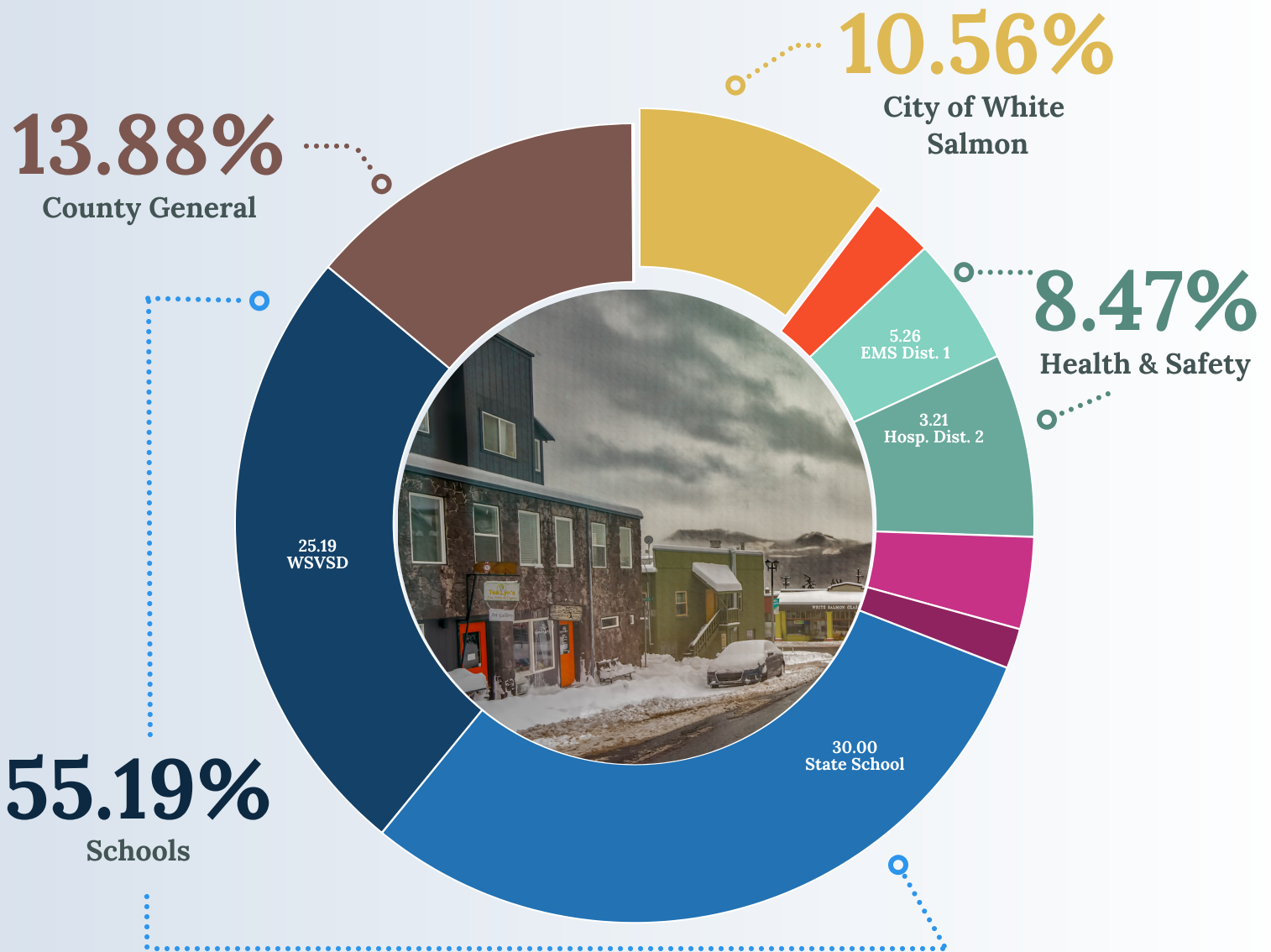
The policies provide direction in developing a financial forecast that estimates resources and expenditures for both operational and capital funds.

Overhead Cost Allocation

The policies provide direction on how overhead cost allocation is calculated.



2021 Property Taxes



WS Valley Metro Park District: 2.59%

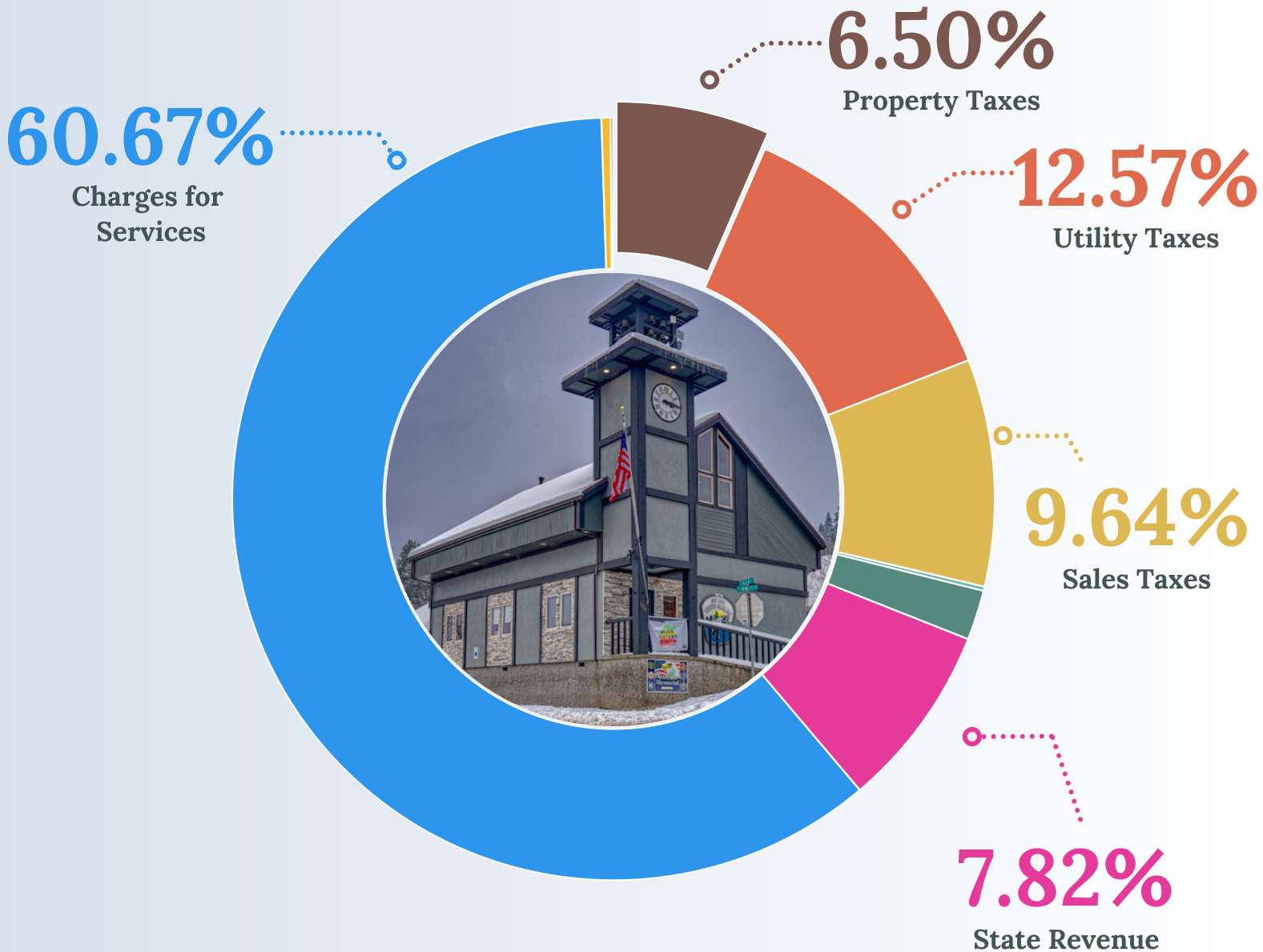
Library District #1: 3.73%

Port District #3: 1.62%

Cemetery District #1: 0.08%



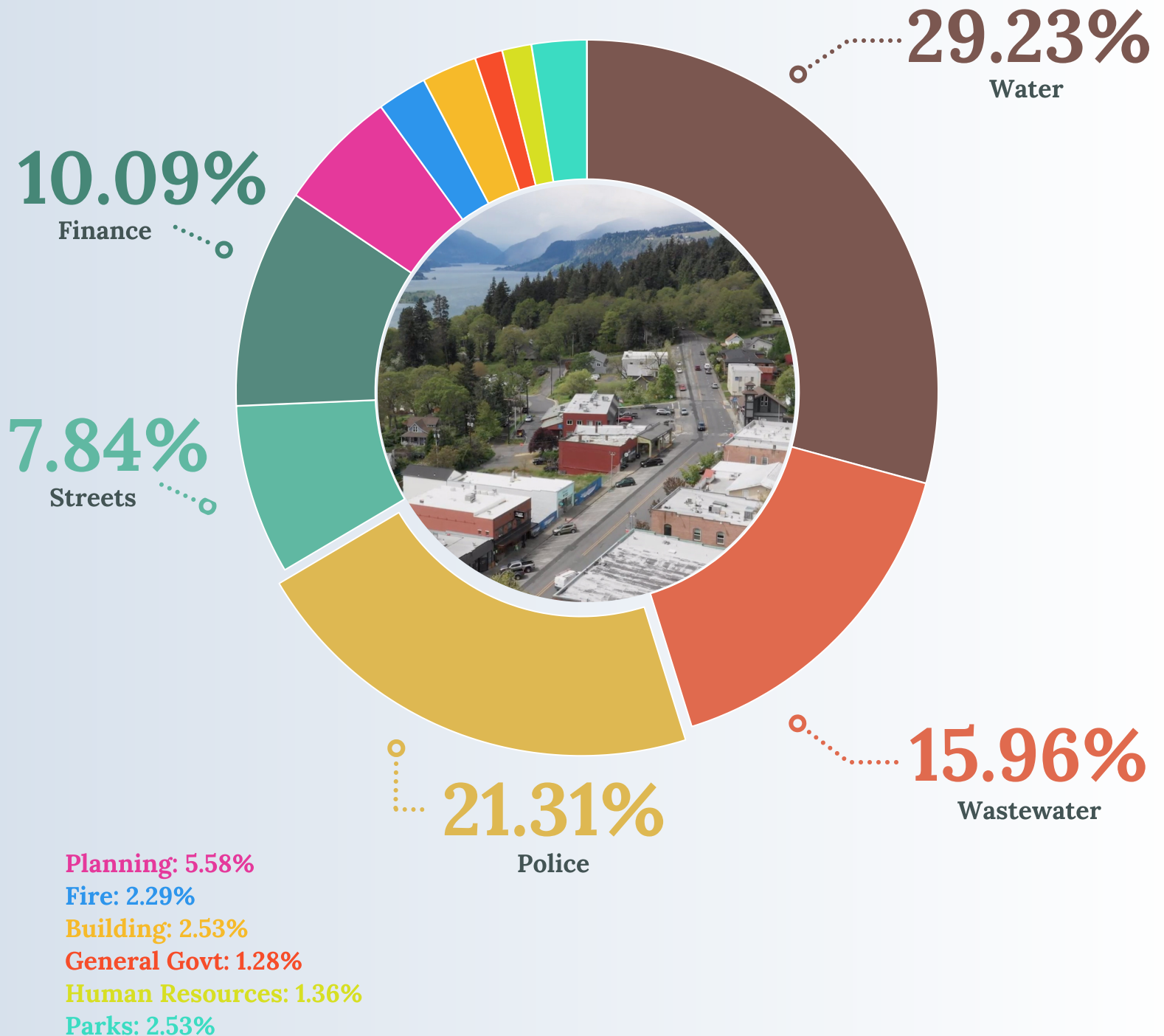
2022 Preliminary Operating & Maintenance Revenue



Misc. Taxes: 0.17%
Licenses & Permits: 2.12%
Misc. Revenues: 0.38%
Fines & Forfeitures: 0.12%



2022 Preliminary Operating & Maintenance Expenditures



2022 Council Priorities

The below chart highlights allocations in the proposed budget that either directly align with or realize goals within the Priority Areas determined by City Council.





Operating Budgets

001 Current Expense – Proposed Revenue

Type of Resources	Actual 2018	Actual 2019	Actual 2020	Budget 2021	Proposed Budget 2022
Taxes	1,243,470.73	1,379,478.32	1,403,848.32	1,421,092.00	1,508,148.00
Licenses & Permits	119,472.67	146,249.68	108,252.48	132,243.00	136,068.00
Intergovernmental Revenue	150,166.07	77,567.10	200,130.45	459,176.00	450,472.00
Charges for Goods and Services	666,211.92	670,199.38	687,430.59	730,016.00	735,381.00
Fines and Penalties	14,774.87	11,259.59	6,975.37	22,587.00	7,840.00
Miscellaneous Revenues	16,503.91	35,209.13	18,723.40	12,044.00	9,223.00
Transfers/Non Revenues	124,542.81	255,235.55	64,473.55	2,915.00	0.00
Total	2,335,142.98	2,575,198.75	2,489,834.16	2,780,073.00	2,847,132.00
Beginning Cash	424,916.11	360,709.17	800,111.35	868,656.00	901,590.00
Total Revenue	2,760,059.09	2,935,907.92	3,289,945.51	3,648,729.00	3,748,722.00

001 Current Expense – Proposed Expenditures by Department

Department	Actual 2018	Actual 2019	Actual 2020	Budget 2021	Proposed Budget 2022
Finance	789,995.85	451,549.77	450,513.60	487,067.00	576,808.00
Central Services (HR)	55,902.24	49,608.86	67,529.88	72,712.00	77,809.00
General Government	148,401.53	105,356.66	123,131.75	244,247.00	106,986.00
Building	110,842.09	117,088.74	119,065.22	128,686.00	144,551.00
Community Services	6,568.28	6,813.98	130,567.59	98,700.00	763,188.00
Planning	171,179.02	229,677.07	197,024.33	218,710.00	318,878.00
Park	70,565.63	109,512.76	172,918.05	280,726.00	144,799.00
Police	848,357.74	962,728.85	986,271.89	1,070,233.00	1,217,455.00
Fire	197,537.54	103,459.88	174,267.43	179,763.00	130,713.00
Total	2,399,349.92	2,135,796.57	2,421,289.74	2,780,844.00	3,481,187.00
Ending Cash	360,709.17	800,111.35	868,655.77	867,885.00	267,535.00
Total Expenditures	2,760,059.09	2,935,907.92	3,289,945.51	3,648,729.00	3,748,722.00



001 Current Expense – Proposed Expenditures by Type of Expenditures

Type of Expenditures	Actual 2018	Actual 2019	Actual 2020	Budget 2021	Proposed Budget 2022
Personnel	1,101,149.80	1,269,353.58	1,351,579.55	1,433,275.00	1,770,498.00
Supplies	61,417.86	66,930.96	169,291.78	86,422.00	76,150.00
Services & Charges	631,639.99	687,230.86	669,598.86	996,631.00	1,558,539.00
Operating Transfers	591,522.00	27,108.00	134,000.00	127,201.00	60,000.00
NonExpenditures (Clearing)	-1,351.42	3,740.68	451.19	0.00	0.00
Capital Purchases	14,971.69	81,432.49	96,368.36	137,315.00	16,000.00
Total	2,399,349.92	2,135,796.57	2,421,289.74	2,780,844.00	3,481,187.00
Ending Cash	360,709.17	800,111.35	868,655.77	867,885.00	267,535.00
Total Budget	2,760,059.09	2,935,907.92	3,289,945.51	3,648,729.00	3,748,722.00



101 Street Fund – Proposed Revenue

Type of Resources	Actual 2018	Actual 2019	Actual 2020	Budget 2021	Proposed Budget 2022
Taxes	276,610.35	346,701.57	307,924.05	333,773.00	346,710.00
Licenses & Permits	0.00	0.00	0.00	0.00	0.00
Intergovernmental Revenue	435,358.02	295,695.13	130,231.42	61,192.00	400,502.00
Charges for Goods and Services	0.00	0.00	0.00	0.00	0.00
Fines and Penalties	0.00	0.00	0.00	0.00	0.00
Miscellaneous Revenues	998.54	14,698.44	680.73	600.00	0.00
Transfers/Non Revenues	17,800.00	0.00	0.00	97,201.00	200,000.00
Total	730,766.91	657,095.14	438,836.20	492,766.00	947,212.00
Beginning Cash	199,393.60	117,999.01	90,217.14	193,269.00	85,258.00
Total Revenue	930,160.51	775,094.15	529,053.34	686,035.00	1,032,470.00

101 Street Fund – Proposed Expenditures by Type of Expenditures

Type of Expenditures	Actual 2018	Actual 2019	Actual 2020	Budget 2021	Proposed Budget 2022
Personnel	167,680.44	166,757.10	199,430.62	217,270.00	235,909.00
Supplies	27,025.63	27,926.01	23,657.78	43,100.00	36,300.00
Services & Charges	108,591.45	84,588.21	81,185.88	291,906.00	175,631.00
Operating Transfers	100,000.00	258,677.61	0.00	0.00	0.00
NonExpenditures (Clearing)	0.00	0.00	0.00	0.00	0.00
Capital Purchases	408,863.98	146,928.08	31,510.83	68,501.00	533,709.00
Total	812,161.50	684,877.01	335,785.11	620,777.00	981,549.00
Ending Cash	117,999.01	90,217.14	193,268.23	65,258.00	50,921.00
Total Budget	930,160.51	775,094.15	529,053.34	686,035.00	1,032,470.00



401 Water Fund – Proposed Revenue

Type of Resources	Actual 2018	Actual 2019	Actual 2020	Budget 2021	Proposed Budget 2022
Taxes	0.00	0.00	0.00	0.00	0.00
Licenses & Permits	0.00	0.00	0.00	0.00	0.00
Intergovernmental Revenue	100,710.42	0.00	84,240.80	969,343.00	481,797.00
Charges for Goods and Services	1,894,900.60	1,884,596.63	1,910,179.87	1,913,994.00	2,129,856.00
Fines and Penalties	13,470.81	14,606.00	3,846.00	15,000.00	15,000.00
Miscellaneous Revenues	4,865.51	20,417.13	7,406.55	1,330.00	0.00
Transfers/Non Revenues	0.00	0.00	11,671.62	0.00	0.00
Total	2,013,947.34	1,919,619.76	2,017,344.84	2,899,667.00	2,626,653.00
Beginning Cash	338,876.88	792,260.28	442,685.38	138,236.00	292,053.00
Total Revenue	2,352,824.22	2,711,880.04	2,460,030.22	3,037,903.00	2,918,706.00

401 Water Fund – Proposed Expenditures by Type of Expenditures

Type of Expenditures	Actual 2018	Actual 2019	Actual 2020	Budget 2021	Proposed Budget 2022
Personnel	384,417.11	463,676.41	481,558.97	501,496.00	518,472.00
Supplies	58,106.33	82,910.84	78,584.66	122,600.00	98,500.00
Services & Charges	700,714.01	957,642.05	1,035,306.63	1,604,995.00	1,053,273.00
Operating Transfers	164,927.00	414,478.00	427,003.00	285,143.93	631,018.00
Debt Service	243,330.92	237,771.36	233,461.55	107,480.00	73,898.00
Capital Purchases	9,068.57	112,716.00	65,880.31	124,136.00	67,000.00
Total	1,560,563.94	2,269,194.66	2,321,795.12	2,745,850.93	2,442,161.00
Ending Cash	792,260.28	442,685.38	138,235.10	292,052.07	476,545.00
Total Budget	2,352,824.22	2,711,880.04	2,460,030.22	3,037,903.00	2,918,706.00



402 Wastewater Fund – Proposed Revenue

Type of Resources	Actual 2018	Actual 2019	Actual 2020	Budget 2021	Proposed Budget 2022
Taxes	0.00	0.00	0.00	0.00	0.00
Licenses & Permits	0.00	0.00	0.00	0.00	0.00
Intergovernmental Revenue	0.00	0.00	0.00	0.00	0.00
Charges for Goods and Services	983,780.80	998,074.11	978,435.69	1,016,578.00	1,030,351.00
Fines and Penalties	0.00	0.00	0.00	0.00	0.00
Miscellaneous Revenues	4,020.64	7,087.56	5,164.87	163.00	0.00
Transfers/Non Revenues	0.00	0.00	0.00	0.00	0.00
Total	987,801.44	1,005,161.67	983,600.56	1,016,741.00	1,030,351.00
Beginning Cash	597,161.64	559,891.18	281,683.41	347,026.00	338,067.00
Total Revenue	1,584,963.08	1,565,052.85	1,265,283.97	1,363,767.00	1,368,418.00

402 Wastewater Fund – Proposed Expenditures by Type of Expenditures

Type of Expenditures	Actual 2018	Actual 2019	Actual 2020	Budget 2021	Proposed Budget 2022
Personnel	126,699.40	154,918.44	166,703.94	148,017.00	146,618.00
Supplies	11,128.88	10,267.82	12,899.13	17,850.00	17,850.00
Services & Charges	671,540.82	672,708.13	688,764.41	725,756.00	747,408.00
Operating Transfers	206,917.00	337,589.00	26,680.00	30,172.00	122,500.00
Capital Purchases	8,785.80	107,886.05	23,211.05	103,905.00	57,000.00
Total	1,025,071.90	1,283,369.44	918,258.53	1,025,700.00	1,091,376.00
Ending Cash	559,891.18	281,683.41	347,025.44	338,067.00	277,042.00
Total Budget	1,584,963.08	1,565,052.85	1,265,283.97	1,363,767.00	1,368,418.00



Non-Operating Budgets

Proposed Budgets – Non-Operating Budgets

Non-Operating Funds	Actual 2018	Actual 2019	Actual 2020	Budget 2021	Proposed Budget 2022
107 Pool Fund	153,584.79	61,867.43	47,874.78	0.00	0.00
108 Municipal Capital Improve. Fund	158,700.68	550,844.81	312,219.29	397,106.00	468,730.00
110 Fire Reserve Fund	327,468.91	209,679.40	285,682.31	286,110.00	286,362.00
112 General Fund Reserve	635,058.31	648,629.92	339,154.41	339,236.00	339,336.00
121 Police Vehicle Reserve Fund	207,406.81	172,195.28	179,328.32	150,065.00	150,137.00
200 Unlimited GO Bond Fund	17,955.12	18,052.69	18,061.63	0.00	0.00
303 Hotel/Motel Taxes	0.00	0.00	39,696.91	96,697.00	172,234.00
307 New Pool Construction Fund	2,563.96	2,563.96	2,563.96	2,564.00	2,564.00
408 Water Reserve Fund	149,959.26	401,049.74	423,578.82	457,947.00	523,042.00
409 Wastewater Reserve Fund	380,288.46	675,215.97	679,098.68	679,573.00	779,573.00
412 Water Rights Acquisition Fund	349,432.84	384,162.77	419,310.05	455,402.00	492,520.00
413 Water Bond Redemption Fund	58,726.15	58,277.48	106,988.75	182,255.00	175,671.00
414 Wastewater Bond Redemption Fund	24,752.83	24,528.50	24,628.23	26,621.00	11,449.00
415 Water Bond Reserve Fund	50,260.84	52,658.93	69,740.33	86,144.00	105,716.00
416 Wastewater Bond Reserve Fund	72,402.48	73,369.39	74,543.47	74,572.00	74,644.00
417 Treatment Plant Reserve Fund	512,190.54	553,966.19	573,932.29	589,260.00	495,052.00
418 Water Short Lived Asset Reserve Fund	157,279.74	183,112.20	183,112.20	269,564.00	319,660.00
420 USDA Rural Development - Jewett	0.00	100,000.00	2,441,758.11	2,951,643.70	0.00
601 Remittances	13,223.03	11,082.37	5,897.37	12,223.00	5,191.00
Total	3,271,254.75	4,181,257.03	6,227,169.91	7,056,982.70	4,401,881.00

The above amounts are the “total budget” amounts for the fund.



Debt Requirements

Below are the debt requirements for water and wastewater funds.

Water

Berkadia (1981 Water Sewer Bonds)

Year	Principal	Interest	Debt Service
2021	29,200.00	1,143.33	30,343.33
Total	29,200.00	1,143.33	30,343.33

Public Works Trust Fund (14-Inch Main Line Replacement Design)

Year	Principal	Interest	Debt Service
2021	13,407.83	1,041.42	14,449.25
2022	20,993.25	5,107.57	26,100.82
2023-2039	356,885.19	50,749.08	407,634.27
Total	391,286.27	56,898.07	448,184.34

White Salmon Irrigation District (Water Rights)

Year	Principal	Interest	Debt Service
2021	82,520.75	41,449.49	123,970.24
2022	85,014.94	38,955.30	123,970.24
2023-2034	1,234,672.70	243,050.82	1,477,723.52
Total	1,402,208.39	323,455.61	1,725,664.00

Drinking Water State Revolving Fund Loan (Snowden Road)

Year	Principal	Interest	Debt Service
2021	28,353.82	4,253.07	32,606.89
2022	28,353.82	3,969.54	32,323.36
2023-2035	368,599.70	25,801.98	394,401.68
Total	425,307.34	34,024.59	459,331.93



USDA Rural Development (Tohomish Street)

Year	Principal	Interest	Debt Service
2021	7,214.97	9,261.03	16,476.00
2022	7,404.36	9,071.64	16,476.00
2023-2052	338,181.78	154,130.23	492,312.01
Total	352,801.11	172,462.90	525,264.01

USDA Rural Development (Jewett Blvd.)

Year	Principal	Interest	Debt Service
2021	35,478.58	35,801.42	71,280.00
2022	48,255.16	46,784.84	95,040.00
2023-2061	2,647,266.26	986,173.42	3,633,439.68
Total	2,731,000.00	1,068,759.68	3,799,759.68

Department of Natural Resources (Easement)

Year	Principal	Interest	Debt Service
2021	13,277.80	1,593.34	14,871.14
2022	13,277.80	796.67	14,074.47
Total	26,555.60	2,390.01	28,945.61

Total Debt Requirements - Water

Year	Principal	Interest	Debt Service
2021	209,453.75	94,543.10	303,996.85
2022	203,299.33	104,685.56	307,984.89
2023-2061	4,945,605.63	1,459,905.53	6,405,511.16
Total	5,358,358.71	1,659,134.19	7,017,492.90

USDA Rural Development (14-Inch Main Line – Phase 1)

The city has taken on debt from USDA Rural Development in the amount of \$2,333,000 that is not included above. This loan is for Phase 1 of the 14-Inch Main Line Replacement project. The estimated interest rate is currently 1.75% with an amortization factor of 34.98. The projected annual payment is \$81,609. The loan is for 40 years with end life as of 2063. The city began drawing funds for the project in 2022. The project will close with initial payment due in 2023.

Public Works Trust Fund (14-Inch Water Main)

The city has also taken on an additional debt from the Public Works Trust Fund in the amount of \$750,000. This loan is for the design and engineering for the 14-Inch Water Main Replacement project.



The loan is for five years at 0.79% interest but will be extended based on acquiring funding for Phase 1 of the project. The city began drawing on this loan in 2020 but does not expect to close the loan until 2022. The city began paying principal and interest payments in 2021 based on a loan balance of \$391,286.27. The above debt requirements are only for the \$391,286.27 and not the full \$750,000.00.

Total principal water debt for the city including the USDA Rural Development and Public Works Trust Fund loan is \$8,050,072.44.



Wastewater

Berkadia (1981 Water Sewer Bonds)

Year	Principal	Interest	Debt Service
2021	14,600.00	571.67	15,171.67
Total	14,600.00	571.67	15,171.67

Total City Debt Requirements

Year	Principal	Interest	Debt Service
2021	224,053.75	95,114.77	319,168.52
2022	203,299.33	104,685.56	307,984.89
2023-2052	4,945,605.63	1,459,905.53	6,405,511.16
Total	5,372,958.71	1,659,705.86	7,032,664.57

Total principal debt for the city including the USDA Rural Development and Public Works Trust Fund loan is \$8,064,672.44.

City of White Salmon
 2022 Budget Summary with History
 As of 11/03/2021

	2019 Actual Revenue	2020 Actual Revenue	2021 Budget Revenue	2022 Proposed Revenue	2019 Actual Expenditures	2020 Actual Expenditures	2021 Budget Expenditures	2022 Proposed Expenditures
001 Current Expense								
Finance					451,549.77	450,513.60	487,067.00	576,808.00
Central Services (HR)					49,608.86	67,529.88	72,712.00	77,809.00
General Government					105,356.66	123,131.75	244,247.00	106,986.00
Building					117,088.74	119,065.22	128,686.00	144,551.00
Community Services					6,813.98	130,567.59	98,700.00	763,188.00
Planning					229,677.07	197,024.33	218,710.00	318,878.00
Park					109,512.76	172,918.05	280,726.00	144,799.00
Police					962,728.85	986,271.89	1,070,233.00	1,217,455.00
Fire					103,459.88	174,267.43	179,763.00	130,713.00
001 Current Expense	2,575,198.75	2,489,834.16	2,780,073.00	2,847,132.00	2,135,796.57	2,421,289.74	2,780,844.00	3,481,187.00
101 Street Fund	657,095.14	438,836.20	492,766.00	947,212.00	684,877.01	335,785.11	620,777.00	981,549.00
107 Pool Fund	28,976.04	183.79	0.00	0.00	14,176.44	47,874.78	0.00	0.00
108 Municipal Capital Impr. Fund	411,179.24	68,569.22	102,193.00	71,624.00	307,194.74	17,307.25	0.00	125,000.00
110 Fire Reserve Fund	185,827.73	76,002.91	427.00	252.00	0.00	0.00	0.00	0.00
112 General Fund Reserve	22,798.06	123,894.49	81.00	100.00	433,370.00	0.00	0.00	200,000.00
121 Police Vehicle Reserve Fund	1,700.06	59,649.00	30,091.00	60,072.00	52,515.96	59,354.61	60,000.00	60,000.00
200 Unlimited GO Bond Fund	97.57	8.94	0.00	0.00	0.00	18,061.63	0.00	0.00
303 Hotel/Motel Taxes	0.00	39,696.91	57,000.00	75,537.00	0.00	0.00	0.00	40,000.00
307 New Pool Construction Fund	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
401 Water Fund	1,919,619.76	2,017,344.84	2,899,667.00	2,626,653.00	2,269,194.66	2,321,795.12	2,745,850.93	2,442,161.00
402 Wastewater Collection Fund	1,005,161.67	983,600.56	1,016,741.00	1,030,351.00	1,283,369.44	918,258.53	1,025,700.00	1,091,370.00

City of White Salmon
 2022 Budget Summary with History
 As of 11/03/2021

	2019 Actual Revenue	2020 Actual Revenue	2021 Budget Revenue	2022 Proposed Revenue	2019 Actual Expenditures	2020 Actual Expenditures	2021 Budget Expenditures	2022 Proposed Expenditures
408 Water Reserve Fund	251,090.48	200,880.99	34,368.00	300,000.00	178,351.91	0.00	457,905.00	223,000.00
409 Wastewater Reserve Fund	294,927.51	3,882.71	474.00	100,000.00	0.00	0.00	394,000.00	394,000.00
412 Water Rights Acquisition Fund	158,713.17	159,131.52	160,076.00	161,103.00	123,984.24	123,984.24	123,985.00	123,985.00
413 Water Bond Redemption Fund	42,654.00	91,372.00	118,102.00	111,518.00	42,660.73	42,836.00	118,102.00	111,518.00
414 Wastewater Redemption Fund	13,089.00	13,180.00	15,172.00	0.00	13,080.27	13,180.00	15,172.00	0.00
415 Water Bond Reserve Fund	2,398.09	17,081.40	16,403.00	19,572.00	0.00	0.00	0.00	0.00
416 Wastewater Bond Reserve Fund	966.91	1,174.08	28.00	72.00	0.00	0.00	0.00	0.00
417 Treatment Plant Resesrve Fund	41,775.65	19,966.10	15,327.00	22,908.00	0.00	0.00	117,116.00	0.00
418 Water Short Lived Asset Reserve Fund	100,000.00	100,000.00	115,900.00	200,096.00	100,000.00	29,449.03	150,000.00	100,000.00
420 USDA Rural Develop Jewett Water	100,000.00	2,346,598.81	2,951,643.70	0.00	4,840.70	2,441,758.11	2,951,643.70	0.00
601 Remittances	11,043.84	5,897.37	12,223.00	5,191.00	11,082.37	5,897.37	12,223.00	5,191.00
Total	7,824,312.67	9,256,786.00	10,818,755.70	8,579,393.00	7,654,495.04	8,796,831.52	11,573,318.63	9,378,967.00

Note: Revenue does not including beginning balances and expenditures do not include ending balances.

CITY OF WHITE SALMON

ORDINANCE NO. 2021-12-1089

**AN ORDINANCE ADOPTING THE BUDGET FOR THE CITY OF WHITE SALMON,
WASHINGTON, FOR THE FISCAL YEAR ENDING DECEMBER 31, 2022**

WHEREAS, a proposed budget and estimate of amount of moneys required to meet the public expenses, bond retirement and interest, reserve funds and expenses of the City of White Salmon for the fiscal year ending December 31, 2022 and a notice was published that the City Council of White Salmon would meet on the 17th of November, 2021 and the 1st of December, 2021 at the hour of 6:00 p.m., via Zoom teleconference for the purpose of making and adopting a budget for 2022 fiscal year and giving taxpayers within the city limits an opportunity to be heard regarding the budget; and

WHEREAS, the City of White Salmon did meet at the time and place and did then consider the matter of the proposed budget; and

WHEREAS, the proposed budget does not exceed the lawful limit of taxation allowed by the law to be levied on the property within the City of White Salmon for the purposes set forth in the budget, and the estimated expenditures set forth in the budget being necessary to carry on the government of the City of White Salmon for the fiscal year and being sufficient to meet the various needs of the City of White Salmon during the fiscal year.

NOW, THEREFORE, the City Council of the City of White Salmon does ordain as follows:

Section 1. The budget for the City of White Salmon, Washington for the fiscal year 2022 is hereby adopted in its final form and content as set forth in the 2022 Fiscal Year Budget, copies of which are on file in the Office of the Clerk Treasurer.

Section 2. Estimated resources, including cash balances for each separate fund of the City of White Salmon, for all such funds combined for the year 2022 are set forth in summary form below and are hereby appropriated for expenditure at the department level for the General Fund and at the fund level for all other funds during the year 2022 as set forth in the 2022 Fiscal Year Budget:

001 Current Expense

Beginning Cash	901,590
Revenue	2,847,132
Interfund Transfers In	0
Appropriations	3,421,187
Interfund Transfers Out	60,000
Ending Cash	267,535

101 Street Fund

Beginning Cash	85,258
Revenue	747,212
Interfund Transfers In	200,000
Appropriations	981,549
Interfund Transfers Out	0
Ending Cash	50,921

108 Municipal Capital Improvement Fund

Beginning Cash	397,106
Revenue	71,624
Interfund Transfers In	0
Appropriations	125,000
Interfund Transfers Out	0
Ending Cash	343,730

110 Fire Reserve

Beginning Cash	286,110
Revenue	252
Interfund Transfers In	0
Appropriations	0
Interfund Transfers Out	0
Ending Cash	286,362

112 General Fund Reserve

Beginning Cash	339,236
Revenue	100
Interfund Transfers In	0
Appropriations	0
Interfund Transfers Out	200,000
Ending Cash	139,336

121 Police Vehicle Reserve Fund

Beginning Cash	90,065
Revenue	72
Interfund Transfers In	60,000
Appropriations	60,000
Interfund Transfers Out	0
Ending Cash	90,137

303 Hotel/Motel Taxes

Beginning Cash	96,697
Revenue	75,537
Interfund Transfers In	0
Appropriations	40,000
Interfund Transfers Out	0
Ending Cash	132,234

307 New Pool Construction Fund

Beginning Cash	2,564
Revenue	0
Interfund Transfers In	0
Appropriations	0
Interfund Transfers Out	0
Ending Cash	2,564

401 Water Fund	
Beginning Cash	292,053
Revenue	2,626,653
Interfund Transfers In	0
Appropriations	1,811,143
Interfund Transfers Out	631,018
Ending Cash	476,545
402 Wastewater Collection Fund	
Beginning Cash	338,067
Revenue	1,030,351
Interfund Transfers In	0
Appropriations	968,876
Interfund Transfers Out	122,500
Ending Cash	277,042
408 Water Reserve Fund	
Beginning Cash	223,042
Revenue	0
Interfund Transfers In	300,000
Appropriations	223,000
Interfund Transfers Out	0
Ending Cash	300,042
409 Wastewater Reserve Fund	
Beginning Cash	679,573
Revenue	0
Interfund Transfers In	100,000
Appropriations	394,000
Interfund Transfers Out	0
Ending Cash	385,573
412 Water Rights Acquisition Fund	
Beginning Cash	331,417
Revenue	161,103
Interfund Transfers In	0
Appropriations	123,985
Interfund Transfers Out	0
Ending Cash	368,535
413 Water Bond Redemption Fund	
Beginning Cash	64,153
Revenue	0
Interfund Transfers In	111,518
Appropriations	111,518
Interfund Transfers Out	0
Ending Cash	64,153

414 Wastewater Bond Redemption Fund	
Beginning Cash	11,449
Revenue	0
Interfund Transfers In	0
Appropriations	0
Interfund Transfers Out	0
Ending Cash	11,449
415 Water Bond Reserve Fund	
Beginning Cash	86,144
Revenue	72
Interfund Transfers In	19,500
Appropriations	0
Interfund Transfers Out	0
Ending Cash	105,716
416 Wastewater Bond Reserve Fund	
Beginning Cash	74,572
Revenue	72
Interfund Transfers In	0
Appropriations	0
Interfund Transfers Out	0
Ending Cash	74,644
417 Treatment Plant Reserve Fund	
Beginning Cash	472,144
Revenue	408
Interfund Transfers In	22,500
Appropriations	0
Interfund Transfers Out	0
Ending Cash	495,052
418 Waster Short Lived Asset Reserve Fund	
Beginning Cash	119,564
Revenue	96
Interfund Transfers In	200,000
Appropriations	100,000
Interfund Transfers Out	0
Ending Cash	219,660
601 Remittances	
Beginning Cash	0
Revenue	5,191
Interfund Transfers In	0
Appropriations	5,191
Interfund Transfers Out	0
Ending Cash	0
Total All Funds	13,470,197

Less Interfund Transfers

813,518

Net Total

12,656,679

Section 3. The City Clerk Treasurer is directed to transmit a certified copy of the budget hereby adopted to the Office of the State Auditor and to the Association of Washington Cities.

Section 4. This Ordinance shall take effect and be in force on January 1, 2022.

Passed by the council and approved by the Mayor on this 1st day of December, 2021.

ATTEST:

Marla Keethler, Mayor

Jan Brending, Clerk Treasurer

APPROVED AS TO FORM:

Kenneth B. Woodrich, City Attorney

File Attachments for Item:

C. Proposed Amendments to WSMC 5.02 Short-term Rentals

1. Presentation
2. Public Hearing
3. Discussion

STAFF REPORT



Meeting Date:	December 1, 2021	Meeting Title:	City Council
Submitting Department:	Planning Department	Presenter:	Brendan Conboy, Land Use Planner
Agenda Item:	Short-Term Rental (STR) Moratorium – Draft Text Amendments to WSMC 5.02	Public Comment:	Yes

Purpose and Policy Considerations

The White Salmon Municipal Code (WSMC) administers short-term rental through Title 5 – Business Licenses, Taxes and Regulations in [Chapter 5.02 – Short-Term Rental](#). These regulations were adopted by the City Council on December 4, 2019, by Ord. No. 2019-12-1052.

WSMC Sec. 5.02.005 clarifies the purpose and intent of the City’s regulations:

5.02.005 - Findings, intent and purpose.

A. In the adoption of these regulations, the city finds that the rental of dwelling units and lodging units for less than thirty days is an important contributor to the comprehensive plan's tourism goal. The city also finds that these short-term rentals are part of an emerging market that has the potential to be incompatible with surrounding residential uses.

B. The regulations below are intended to create a registration of short-term rentals that will:

- 1. Determine the impact on the local economy;*
- 2. Reduce administrative burdens and barriers to entry;*
- 3. Ensure market fairness and taxation;*
- 4. Protect guests; and*
- 5. Avoid unchecked neighborhood disruptions.*

On July 21, 2021, the White Salmon City Council adopted [Ord. No. 2021-07-1083](#), a Temporary Short-Term Rental (STR) Moratorium for a period of time not to exceed six months, unless extended for good cause pursuant to [RCW 35.63.200](#).

The Council held a public hearing on September 1, 2021, and voted unanimously to keep the ordinance in effect, finding that the impacts of STR across the community require additional regulation by the City and directed staff to prepare such regulations ([Staff Report](#), [Video](#), [Minutes](#)). In the days following the adoption of the ordinance the City issued a [statement](#) published across various media, including the City of White Salmon website, clarifying aspects of the moratorium to the public.

Meeting Record

Staff conducted a total of five meetings with the Planning Commission consisting of four workshops and one public hearing prior to the Commission’s recommendation to forward the draft text amendments to the Council for consideration:

Planning Commission Workshop August 25, 2021: [Staff Report](#), [Video](#), [Minutes](#)

Planning Commission Workshop September 22, 2021: [Staff Report](#), [Video](#), [Minutes](#)

Planning Commission Public Hearing October 27, 2021: [Staff Report](#), [Video](#)
Planning Commission Workshop November 10, 2021: [Staff Report](#), [Video](#)
Planning Commission Workshop November 18, 2021: [Video](#)

Comprehensive Plan Goals and Policies

On August 18, 2021, The City Council enacted [Ordinance 2021-08-1084](#), Adopting Revised Comprehensive Plan. Staff has identified relevant excerpts and Goals and Policies of the [2040 Comprehensive Plan](#) as it pertains to STR:

Land Use and Urbanization Chapter. The 2040 Comprehensive Plan includes STR as a commercial use:

Commercial and Industrial Lands

Businesses that would likely operate in these areas include grocery stores, pharmacies, restaurants and breweries, banks, hardware and home improvement stores, personal services, and convenience goods for local residential neighborhoods, nearby communities, and visitors alike. Hotels and short-term rental properties are also permitted within this designation, uses which add to the diverse character of this designation. (p.11)

Housing Chapter. Short-term rentals affect overall housing attainability and is correlated with an increasing second-home market:

Existing Conditions

Resulting from White Salmon's proximity to the Portland metropolitan area and because of its growing notoriety as an outdoor recreation hub, property values started to increase dramatically in the early 1990s as the number of second homes, vacation homes, and short-term rental properties grew. Short-term rentals affect overall housing attainability by reducing the number of properties available for long-term renters and driving up housing costs. That trend has continued throughout the first two decades of the twenty-first century, increasing both rental costs and average purchase price, as well as narrowing the available housing stock. (p.20)

Tenancy and Vacancy

The majority of people in White Salmon own the home they live in, but the share of vacant or seasonal or short-term rental housing has increased significantly over the past two decades, from 6 percent in 2000 to 21 percent of housing inventory in 2018. (p.22)

- *GOAL H-1: Establish, support and maintain a diverse stock of housing that serves the full range of ages, incomes and household types, including long-term renters and people with special needs.*
 - *Policy H-1.4: Lead local community outreach efforts to explore strategies that preserve long term affordability of housing for both renters and homeowners, including, but not limited to, the following.*
 - Vacation/short-term rental restrictions*

Economic Development Chapter. Short-term rentals have both financial benefits and impacts for the community but need to be analyzed periodically:

Population and Housing Trends

Within White Salmon, the number of households increased from 763 to 889 between 1990 and 2018, an increase of 17 percent. Between this same time frame, number of dwelling units increased from 816 to 1,396, an increase of 71 percent. White Salmon's average household size also decreased from 2.46 in 2000 to 2.20 in 2018. The fact that the number of dwelling units during this timeframe increased at a rate much higher than year-round households, and average household size decreased is indicative of a growing second-home market. (p. 33)

Tourism and Recreation

New or expanded lodging facilities within White Salmon, along with an increase in short-term rentals, are very likely over the next decade. These lodging and rental facilities, as well as supporting uses such as restaurants, will help capture visitor spending in White Salmon. (p. 34)

- *GOAL EC-2: Support and expand on a robust tourism industry by capitalizing on the scenic beauty and proximity to recreational opportunities that White Salmon offers.*
 - *Policy EC-2.4: Periodically analyze existing transient facilities, including short-term rentals, hotels, and recreational vehicle parks and their financial impacts and benefits to the community.*

Background

In response to an increased volume of concerns regarding STR use and their impacts within the city, on July 21, 2021, the City Council adopted Ord. No. 2021-07-1083, a Temporary Short-Term Rental (STR) Moratorium to assess the effectiveness of the City's existing regulations in addressing the impacts caused by the perceived proliferation of STR uses in the city. The City instituted a one-month grace period under which any existing STR use in the city that did not currently have a valid STR permit issued to them by the City could obtain a permit if they could demonstrate existing bookings prior to the enactment of the moratorium.

Prior to the enactment of the moratorium the City of White Salmon had a total of 30 registered STR permits. During the one-month grace period an additional six permits were issued bringing the total number of permits to 36. Staff began to assemble data to better understand the overall number of actual STR units being offered within city limits and the Urban Exempt Area (UEA), land outside city limits which is administered by Klickitat County, but which constitutes a form of an 'urban growth boundary' into which the City of White Salmon may expand through annexation. Please see the **Analysis** section for a discussion of the data utilized and the dynamic between city limits and the UEA as it pertains to STR and other issues.

Short-Term Rental Growth

Airbnb, founded in 2008, facilitates short-term rental stays in private homes or apartments by charging guests and hosts a transaction fee. While Airbnb was not the first instance of short-term rental - there was already an existing and robust vacation unit rental economy in desirable tourist locations, bed and breakfasts, and the inn is as old as civilization itself - Airbnb was the first to develop an online platform that made the facilitation of staying in and renting out a private residential unit easy and economical for guests and hosts, the latter of which now found themselves making a profit off of the potential to capitalize on underutilized dwelling spaces like extra bedrooms. It was also during this time frame that Accessory Dwelling Units (ADUs) began to become more mainstream as cities enacted ordinances to legalize the units, often in the face of fierce single family homeowner opposition, in locations where prior single-family zoning only allowed one unit per lot.

The cofounders of Airbnb initially conceived of the idea of an online host and guest rental platform after listing an air mattress on the floor of their apartment back in 2008. Today, 12 years later in 2021, Airbnb is now publicly traded on the stock exchange and the company is currently estimated to be valued at a market cap of \$128 billion dollars compared to Expedia (owner of VRBO) which is estimated to be valued at a market cap of \$21 billion as of February 2021. The past year for Airbnb the company, however, has been a rollercoaster. The company had experienced a 51% compound annual growth rate (CAGR) for revenues in the 5 years preceding the pandemic (2015-2019). In May of 2020, however, amid the lockdowns and travel restrictions imposed by Covid-19, the company laid off 1,900 employees, approximately 25% of their workforce¹. The home-rental software platform had seen revenue drop 32% to \$2.5 billion during the first nine months of 2020 versus 2019. Its net losses also more than doubled to \$697 million over the first nine months of 2020.

On December 9, 2020, however, the company went public on the stock exchange with an Initial Public Offering (IPO) (NASDAQ: ABNB) initially listed at \$68, which rose to \$165 a share and closed at \$114.71, an increase of 113% on its first day of trading. Prior to the initial IPO the company's private valuation was \$18 billion USD, down from \$31 billion prior to the pandemic. As of November 22, 2021, ABNB stock opened at \$190.44 a share, with a 52-week high of \$219.94 and a low of \$121.50² and is valued at \$128 billion. In Quarter 2 of 2021, Airbnb announced 'the travel rebound is upon us' with financial data showing a 300% year-over-year revenue increase, 10% higher than Q2 2019³. In their recently released Quarter 3, 2021 Shareholder Letter, Airbnb states that,

"The travel rebound that began earlier this year accelerated in Q3, resulting in Airbnb's strongest quarter ever. Revenue and net income were our highest ever. Adjusted EBITDA exceeded \$1 billion, also our highest ever. This summer, we reached a major milestone of 1 billion cumulative guest arrivals as more people got vaccinated and travel restrictions were relaxed. Host earnings reached a record \$12.8 billion in the quarter, and active listings continued to grow."⁴

The company is now aggressively pursuing an increase in hosts as well as promoting the growing work from home (WFH) sector as key to maintaining its current market valuation. The Q3 Shareholder Letter states, "This newfound flexibility is blurring the lines between traveling and living. Technologies like Zoom make it possible to work from home. Airbnb makes it possible to work from any home. From long weekends to monthly stays, Airbnb allows you to book any home, anywhere, for any duration—and ultimately, to live anywhere."⁵

According to the Airbnb [site](#), as of September 20, 2021, Airbnb:

- Has 5.6 million listings worldwide
- Operates in 100,000 cities and towns
- Operates in more than 220 countries
- Has more than four million hosts
- Has served more than eight million guests
- Averages \$9,600 in annual earnings per host (Up from \$7,900 on 9/30/20).

¹ Source: <https://www.nytimes.com/2020/07/17/technology/airbnb-coronavirus-layoffs-.html>

² Source: <https://investors.airbnb.com/stock-info/default.aspx#analyst-coverage>

³ Source: <https://news.airbnb.com/airbnb-second-quarter-2021-financial-results/>

⁴ Source: https://s26.q4cdn.com/656283129/files/doc_financials/2021/q3/Airbnb_Q3-2021-Shareholder-Letter_Final.pdf

⁵ Source: *Ibid.*

Airbnb has spawned countless competitors which provide the same STR service, such as VRBO, and property management companies like Vacasa which manage STR properties for hosts who often live elsewhere. Proponents of the STR industry cite the lowered costs of stay for travelers, and the benefits of additional income to homeowners paying a mortgage. But in many cities and towns, especially natural amenity rich locations like White Salmon, the rapid expansion and encroachment of STR uses into single-family residential neighborhoods has resulted in complaints about impacts to quality of life, housing costs and workforce shortages, lack of control, noise and parking, and impacts to services and infrastructure like garbage and neighborhood roads in more suburban residential areas.

Short-term rental platforms like Airbnb have dramatically altered the residential and commercial landscape of America in a very short period. Disruptive technologies transform an economic structure from within, sometimes for better, sometimes for worse, and sometimes a mixture of both. In so doing, they reshape or undermine the old economic system. Such disruptive technologies have become more noticeable in everyday life in recent decades with the advent of widespread access to wireless internet services integrated with geolocational capabilities available on any smart phone. Additional examples of disruptive technologies which have had impacts on society are businesses such as Uber, Doordash, Venmo, and Zoom.

These disruptive industries are effective in achieving for the consumer a reduction in the time, effort, and/or the distance it takes to get the desired product which until recently was relatively fixed and inelastic. In other words, the hotel industry was caught flat-footed by the rise of STR because their business model is location specific, whereas STR is elastic, it can operate everywhere and often without the overhead, regulation, or taxing which commercial lodging businesses must comply with.

Airbnb awards a ‘Superhost’ status to individual hosts who meet certain metrics such as a minimum of 10 stays or 100 nights booked over at least three completed stays per year, with less than 1% cancellation rate, an over 90% response rate, and an average rating of 4.8 (out of five stars)⁶. Individuals who earn Superhost status are prioritized on the platform’s algorithm and search features to potential guests. This incentivizes hosts to book as many nights as possible for prioritization on the platform. Staff has analyzed the issue of existing permitted and unpermitted/illegal STR use within White Salmon and the surrounding area:

Analysis

Existing Conditions:

Granicus is a software company which provides administrative services and tracking for government and private organizations. One of the companies/tools that they have acquired in their portfolio is Host Compliance, and it is an STR tracking software that scans the web for short-term rental listings, checks that listing as to whether it is approved, and if not delivers notification of violation and/or fine. They are not the only provider of this service, but they are the largest and most well established. The City Council approved a contract for services with Granicus at the November 17, 2021, City Council hearing following an RFP selection process where the city received three responses from STR compliance providers. Staff anticipates the service will be operational in the coming weeks once the contract is finalized and system training by the provider can be scheduled.

Because there are now hundreds of competing platforms for listing STR rentals, it is near impossible and extremely time consuming to try to enforce the matter without tracking software. This is one of the

⁶ Source: <https://www.airbnb.com/help/article/829/how-to-become-a-superhost#section-heading-2-0>

externalities that the proliferation of STR has imposed on local government: it places the burden of tracking and enforcement, to ensure health, safety and welfare, and complaints and unruly behavior on to local government, a problem that is not present with conventional lodging as on-site management and building standards ensure a level of oversight. The aggregate data that Host Compliance has been able to assemble for STR uses broadly speaking around the world is striking:

- There has been a 15x increase in the number of STR listings globally since 2011
- 27 global markets saw home rentals outperform hotels in the last year.
- 239% increase in STR party related complaints in the last year globally.

At the time of this staff report publication, staff is still operating from the initial information provided by Granicus in August of 2021 (See Exhibit C):

- As of August 18th, 2021 there were 119 listings.
 - This equates to roughly 75 units in STR within the city limits and UEA combined.
- Median price of \$182 a night
- Of the listing types 85% were single family homes, 10% multi-family homes, and 6% unknown.
- Of the unit types, 94% are entire homes (likely including ADUs), with 6% ‘partial’ homes
- The number of STR listings has grown by 20% in White Salmon over the past year.

Granicus clarified that this number of 119 listings was pulled from the jurisdiction search which includes the Urban Exempt Area. Listings “In”, i.e. the first column refers to the boundaries of the jurisdiction, while In/Near, the second column, includes a buffer around that jurisdiction to capture STR slightly outside jurisdictional boundaries to get a broader picture of STR activity in the area. Similarly, the third and fourth column represents the total number of *units* that have been identified after cross-referencing different listing platforms to ‘de-duplicate’ listings.

StR Listings History							
Action	StR Listings History Name	SLH Date	SLH StR L2 Listings In	SLH StR L2 Listings In/Near	SLH StR L2 Rental Units In	SLH StR L2 Rental Units In/Near	SLH Unincor
	STR-LH-44192	8/24/2021	100	117	75	85	
	STR-LH-44173	8/19/2021	119	125	0	0	
	STR-LH-38359	9/30/2020	99	112	78	85	
	a0t4A00000Cbvbb	2/4/2020	105	125	75	92	
	a0t4A00000CbjQ6	4/11/2019	87	107	52	71	

Figure 1

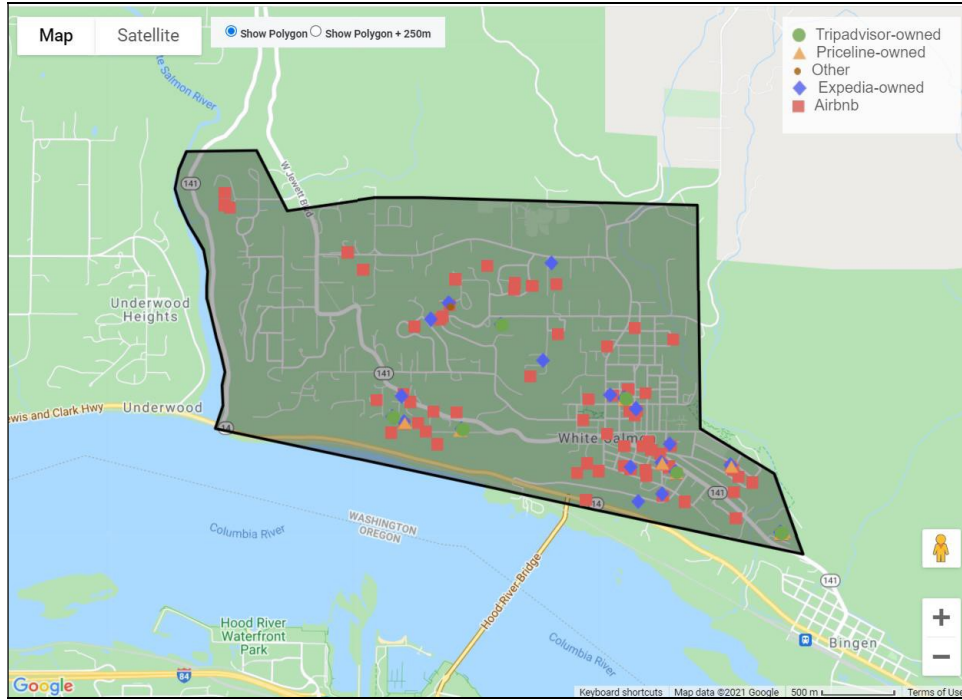


Figure 2

In addition, supplementary data came in as part of the RFP process to select a tracking software vendor. The firm Harmari submitted the following materials as part of their submittal which captured listings within White Salmon city limits⁷:

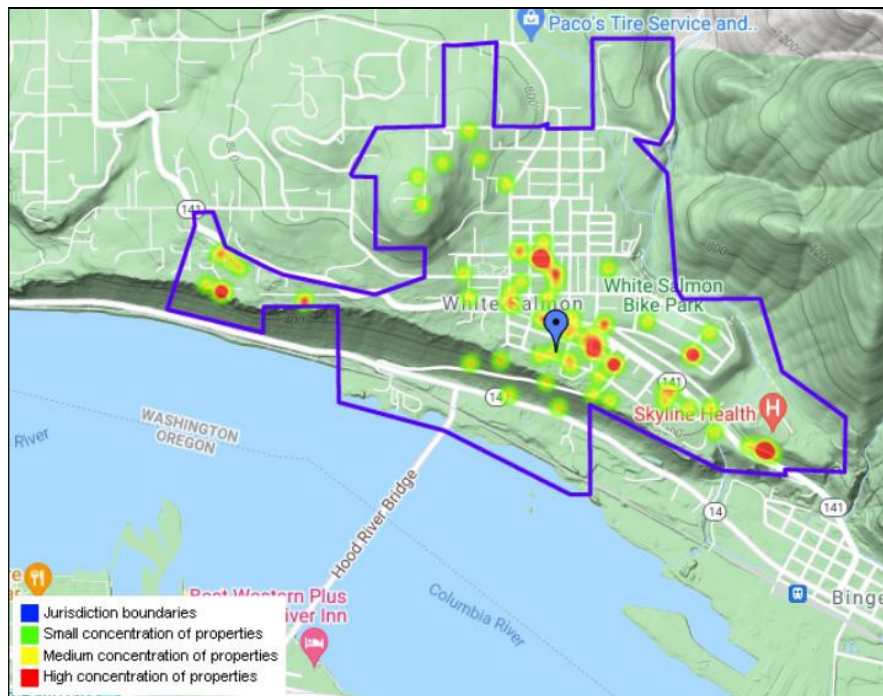


Figure 3

⁷ Harmari RFP Response (Available upon request)

Website	Listings
Airbnb	43
HomeAway/VRBO + Affiliates	20
FlipKey/TripAdvisor + Affiliates	7
Booking, Craigslist, Other	26
Total	96

Figure 4

Granicus responded to the RFP with similar data for within city limits and added the following contextual data: The STR market from one year ago had 99 active listings in White Salmon city limits, while the most recent results show 102 active STR listings⁸. During the same 1-year time-period, 38 listings were deactivated, 6 listings were reposted, while 35 new listings were created, for a .40 annual turnover rate.

Staff notes that the term ‘listings’ may capture the same unit twice on multiple platforms, i.e. duplicate listings. Each tracking service then ‘de-couples’ these listings to arrive at an overall number of units, which as accounted for in the city limits and UEA by Granicus is roughly 75 units. For this reason, it is important to utilize the overall number of units rather than listings. It is also important to note that the high turnover rate of units suggests there are a number of properties in flux which may STR for a portion of the year, and then de-list the property. It is possible that entire homes in the UEA for rent as STR may be listed across more platforms than a smaller stand-alone unit, or ADU within city limits as there has been a proliferation of ‘luxury vacation home’ platforms in recent years which hosts may advertise on in addition to the more ‘traditional’ platforms like Airbnb.

By matter of comparison with the region in general, the following map from a study of STR in Oregon communities under 100,000 in population size published in 2018 shows the following distribution of STR to housing stock. Note the Hood River region showing 7-9 and 10-12 percent rates

⁸ Granicus RFP Response (Attachment D)

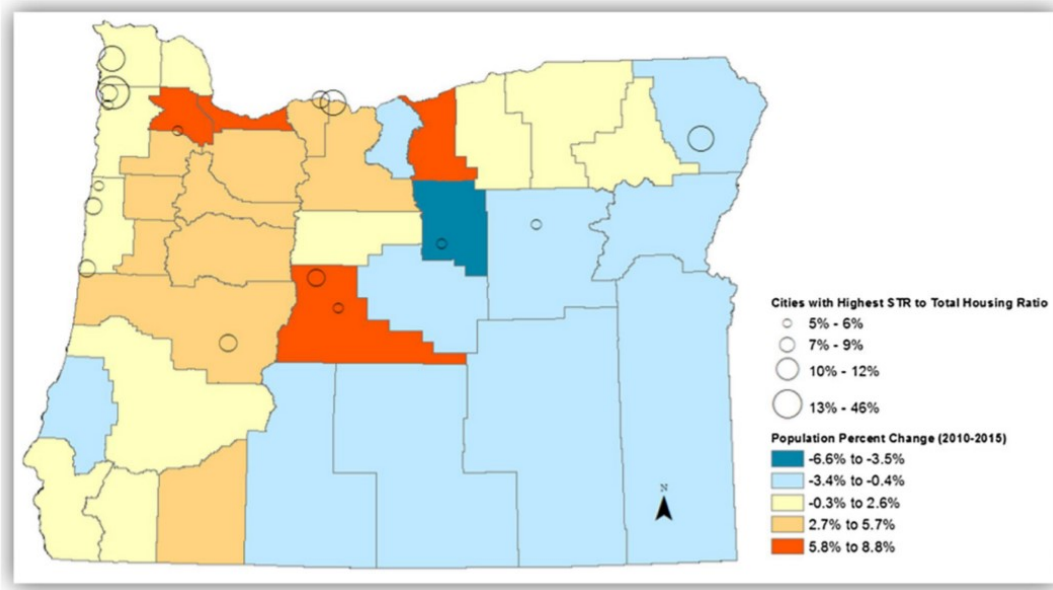


Fig. 2. Cities with Highest Share of STR (of Housing Units) v. Population Change by County between 2001–2015. Source: AirDNA Property Data, Retrieved 2017. United States Census, American Community Survey, Population Data, 2011-2015. (Excludes Portland, Eugene, Salem, and Gresham).

Figure 5

⁹ Source: DiNatale, et al. (2018)

Existing Housing

Per the Urbanization Study incorporated in the Comprehensive Plan, there were an estimated 1,396 housing units with White Salmon in 2018. However, according to the State of Washington Office of Financial Management (OFM) there are a total of 1,268 housing units in White Salmon based on their 2021 postcensal estimate of total housing units. The apportionment of resources by the State of Washington is based upon the OFM’s numbers. OFM estimates the following breakdown of housing units by type:

2021 Postcensal Estimate of One Unit Housing Units	2021 Postcensal Estimate of Two or More Unit Housing Units	2021 Postcensal Estimate of Mobile Homes and Specials
893	282	93

Figure 6

Staff has compiled the following data into graphic form from OFM historical postcensal data showing the change in housing type by unit over the past forty years within White Salmon’s city limits:¹⁰

⁹ Source: DiNatale, et al. (2018) Short-Term Rentals in Small Cities in Oregon: Impacts and Regulations: <https://www.eugene-or.gov/DocumentCenter/View/52935/UO-STR-Research-project-summary>

¹⁰ Source OFM: <https://ofm.wa.gov/washington-data-research/population-demographics/population-estimates/historical-estimates-april-1-population-and-housing-state-counties-and-cities>

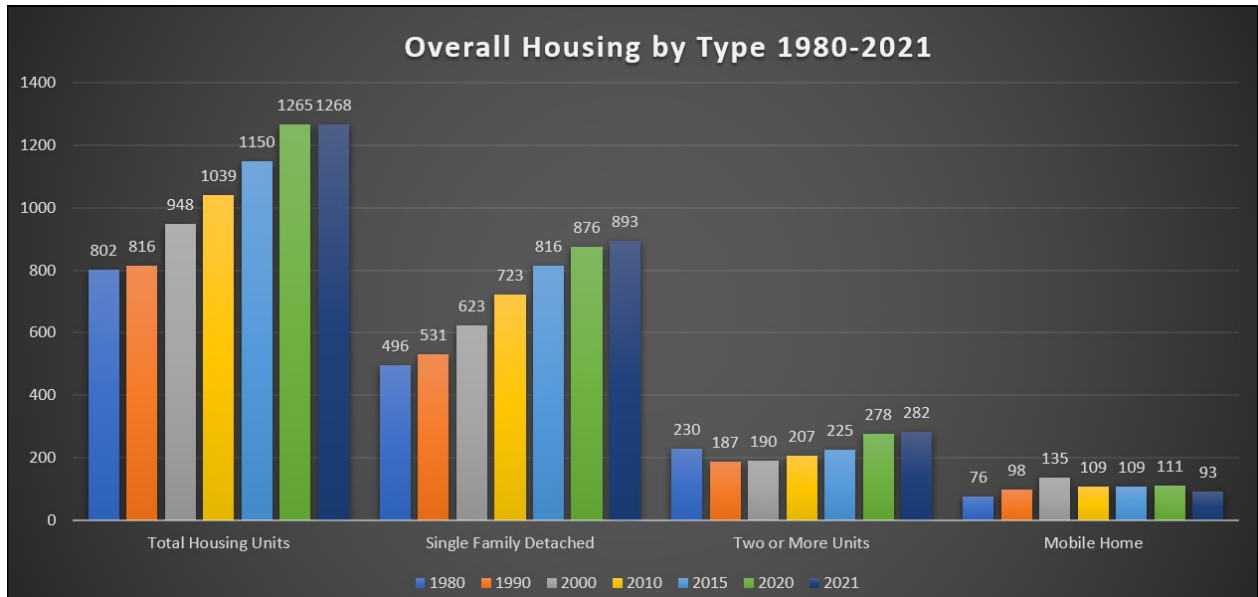


Figure 7

Source: Staff assembled data from OFM

Housing Tenancy	2000		2010		2018	
	#	%	#	%	#	%
Owner Occupied Units	507	53%	516	47%	660	47%
Renter Occupied Units	380	40%	405	37%	447	32%
Subtotal	887	94%	921	85%	1,107	79%
Other Units	61	6%	166	15%	289	21%
Total Housing Units	948	100%	1,087	100%	1,396	100%

*includes seasonally occupied units short term rentals and other vacant units.
 Source: U.S. Census and American Community Survey 2013-2018 estimates
 Source: *Urbanization Study*, May 2020. FCS GROUP. Appendix B.

Figure 8 ¹¹ Source: 2040 Comprehensive Plan, p.22

The recently released 2020 census data states there is a total of 1,618 housing units within Census Tract 9503.01¹² which is the combined city and Urban Exempt Area (UEA). This results in an STR to housing stock rate ranging from 4% when factoring in the 75 overall units within the UEA and city limits combined (75/1,618), or up to 6% if the total number of units were wholly within city limits using the OFM housing numbers (75/1,268). The likely rate is somewhere in the middle, approximately 5% and growing. STR listings grew by 20% over the past year in White Salmon according to Granicus.

A 20% growth rate in STR year after year will further exacerbate the available long term rental market. Airbnb has had record breaking profits in the past two quarters, is now a publicly traded company with shareholders, and is hedging their bet on a dramatic tourism rebound combined with an attempt to position Airbnb as an exciting new way for those able to work-from-home (WFH) to live life, promoting

¹¹ Source: 2040 Comprehensive Plan, p. 22

¹² [2020 Census Demographic Data Map Viewer](#)

'long term stays' greater than 28 days in different locales.¹³ Airbnb is also focusing heavily on recruiting existing guests and other property owners to Airbnb their property.¹⁴

There is no reason to doubt that the ratio of STR to housing stock will continue to grow in tandem with the explosive growth in Airbnb and other platforms as American's resume traveling in the post-vaccinated Covid era and as WFH becomes more normalized. Without a cap on overall permits STR will continue to grow in natural amenity rich and desirable locations such as White Salmon which Airbnb is targeting. Airbnb's approach to prioritize and accommodate the growing WFH sector in desirable locations relies on an increase in available units built either explicitly for, or more easily or likely, existing housing stock converted into an Airbnb as the returns on an Airbnb rental far outstrip the potential returns for market rate long term rentals. Logically this pits the competition for the relatively fixed number of residential ownership or long-term rental units against those who already live in the community and who are unable to work from home: the waiters, police officers, baristas, volunteer firefighters, first responders and medical staff, lumberyard workers, fruit growers, etc., who keep the community running.

For example, an individual could likely rent a newer one bedroom, 800 square foot ADU in White Salmon, for as high as \$1000-1200 a month, which would equate to approximately \$12,000 to \$14,500 in rent yearly (365 days). Alternatively, an individual could STR the same unit at the average of \$182 a night which would earn the same amount of money in 65-80 days, or 2-3 months full occupancy, for an average of 73 nights per year. For example, 90 days of rentals would equate to \$16,380 yearly, or a monthly average of \$1,365, while 180 days of rentals would equate to \$32,760 yearly and an average of \$2,730 dollars a month. According to Airbnb, the average host earns \$9,600 annually from STR, up from \$7,900 on September 30, 2020. An individual renting an STR in White Salmon for 90 nights per year at an average of \$182 a night would enjoy 71% higher earnings than the average host on Airbnb, at 180 nights they would enjoy 241% higher earnings. Clearly this is due to the desirable nature of White Salmon which is attracting guests and not necessarily the units themselves.

The existing 36 permits therefore constitute roughly 2.8% of existing housing stock within city limits or 2.2% of housing stock within the UEA and city limits combined (alternatively, 97.3% of households within White Salmon city limits do not have an STR permit). Staff notes that the distinction between the number of units within the city limits and UEA is not of primary importance as that area is subject to annexation in the future and should be accounted for as part of the overall STR regulatory policy and long-term planning in for growth in the City in general. Furthermore, staff is actively working with Klickitat County to adopt a revised Intergovernmental Agreement for the management of the UEA moving forward, a key desired outcome of the revised IGA on the City's part is to align enforcement of STR in the UEA by the County with the regulations adopted by the City until such time that that land is annexed into the City.

A lack of enforcement of STR regulations on the County's part would likely push an even greater concentration of STR and development into the UEA due to its proximity to the amenities of White Salmon and the lack of regulations on STR outside city limits¹⁵ (See affordability discussion below). An increase in concentration of STR in the UEA will result in increased stress to the roads, private septic systems, and City's water resources. Therefore, it is in the best interest of the community that the City

¹³ Source: Airbnb Winter Release 2021 <https://www.youtube.com/watch?v=HCjWjmOhQms>

¹⁴ Source: Airbnb Release 2021 <https://www.youtube.com/watch?v=w-kzCpHYK24>

¹⁵ Source: Bekkerman, R., Cohen, M.C., Kung, E., Maiden, J.H., & Proserpio, D. (2021). The Effect of Short-Term Rentals on Residential Investment. Real Estate eJournal.

and County reach an agreement regarding the enforcement of STR in the UEA moving forward in addition to the variety of other matters that require long-term planning in the UEA.

The share of vacant, seasonal, or otherwise short-term rental housing combined in White Salmon has increased significantly over the past two decades, from 6% in 2000, to 21% of housing inventory in 2018 (Urbanization Study). This does not account for land within the UEA where larger lot acreages with dramatic views of Mount Hood have accommodated a growing second home market. By comparison, in 2019, The City of Hood River had an STR to housing stock rate of 5.6% second homes, 4.1% non-owner-occupied short-term rentals (grandfathered in by 2016 policy), and 1.9% were owner occupied short-term rentals, or roughly 9.7% second homes/non-owner occupied STRs¹⁶. By comparison, the following chart from a study of the effects of STR on housing from Ketchum, Idaho in 2017 shows population, housing units, and usage classification in western mountain resort communities in the mid-2010s (current vacancy numbers are certainly higher)¹⁷. White Salmon shares many parallels with the following recreational and amenity rich ‘ski towns’ which have become ghosts of themselves from decades past when they were ‘funky’ towns with local character. Their appeal as eclectic and complete communities is a large component of what made them marketable as second-home destinations. They should serve as a warning of what happens when existing housing stock is converted into a majority of ‘vacant’ units, i.e. seasonal, vacation, or non-owner occupied short term rentals:

Table 1: Summary of Municipal Population, Housing Units, and Usage Classification in Western Mountain Resort Communities in the mid 2010s

Municipality	Total Housing Units	Owner Occupied Units	Percentage of Owner Occupied Units	Renter Occupied Units	Percentage of Renter Occupied Units	Vacant Housing Units	Percentage of Vacant Units
Town of Breckenridge	7,146	1,017	14%	937	13%	5,128	72%
Park City Municipal Corporation	10,715	1,835	17%	1,274	12%	7,607	71%
Town of Vail	7,366	1,223	17%	1,493	20%	4,649	63%
Ketchum	3,857	954	25%	615	16%	2,258	59%
Town of Telluride	2,145	464	22%	616	29%	1,065	50%
City of Steamboat Springs	10,308	3,386	33%	2,036	20%	4,886	47%
City of Aspen	6,364	1,899	30%	1,816	29%	2,649	42%
City of South Lake Tahoe	16,602	3,722	22%	6,091	37%	6,789	41%
Town of Crested Butte	1,090	372	34%	353	32%	344	32%
Town of Jackson	4,758	1,526	32%	2,370	50%	862	18%
City of Durango	8,482	3,560	42%	4,046	48%	876	10%

Source: US Census Bureau, Census 2010 Summary with ESRI Housing Profile Projections for 2016. Prepared and provided by Jeffrey B. Jones, Summit County, Utah, February 2017. First published by Garrison, R., Cares, C., & McLeod, B. (2017). *Rent by Owner Study, Executive Summary*. Presented to the Town of Vail Economic Development and Finance Departments on April 25, 2017. Reproduced with permission. Ketchum data source (not included with original table): U.S. Census Bureau, American Community Survey 5-Year Estimates, 2011-2015.

Figure 9

¹⁶ Source: <https://cityofhoodriver.gov/>

¹⁷ Pearthree, G. (2017). The High Cost of Unaffordable Housing in Ketchum, Idaho.; and staff’s first-hand observation in Park City, UT, and Jackson, WY.

Housing Affordability

A lack of affordable housing threatens the fabric of White Salmon’s community. The situation is dire, not just locally but nationally. So dire, in fact, that the National Association of Realtors just released a report calling for a “once in a generation” response to the housing shortage¹⁸. The National Association of Realtor’s report goes on to state,

“While supply solutions represent long-term infrastructure solutions vital to the future of the nation, these approaches will necessarily take time to implement, and will undoubtedly need to be combined with a range of demand-side efforts and structural changes to expand access, level the playing field and address the ongoing challenges of racial and socioeconomic equity in our housing and communities.”

Costly housing results in residents expending more of their income for rent, or ‘driving until they qualify’ for cheaper rent elsewhere and paying increased transportation costs, adding to congestion and traffic, impacting roads, and more emissions. Limited housing stock often results in individuals and families compromising with unsatisfactory living conditions. The causes of housing unaffordability are numerous and interconnected, but some factors which are currently affecting and exacerbating the rapid inflation in cost of homes and rental rates in White Salmon, and nationally, for those even seemingly well above the median household income range are:

- A majority of detached single-family homes averaging \$571,000¹⁹ in value relative to the number of available multifamily and mobile home units which have remained stagnant for the past 40 years, or in the case of mobile home parks have been targeted for redevelopment.
- An influx of new long-term residents drawn to the recreational amenities of the region and proximity to Portland, low property taxes, lack of income tax in the State of Washington, and most importantly, the intact community character and appeal of White Salmon.
- Low interest rates and out-of-state, or well-heeled buyers from Portland, Seattle, or elsewhere capitalizing on sales prices in their market which is inflated even higher than the cost of homes in White Salmon.
- Changing demographics among large segments of the population, i.e. baby-boomers desire to ‘age-in-place, and a growing rise in single occupant households of 65-plus individuals and millennials without children.^{20 21}
- A precipitous rise in vacation/second homes, or otherwise non-owner-occupied short-term rentals.
- The viability of continued or permanent remote work options for many following Covid measures, and perhaps the influence of the ‘Great Resignation’ as people move new places and explore new careers.
- Wild fluctuations in the cost and availability of materials, shipping and port congestion, and labor shortages exacerbated by a shortage of truck drivers and shipping containers.
- Stagnant wages relative to inflation. The CPI rose 6.2% over the past 12 months.²³

¹⁸ Source: National Association of Realtors <https://cdn.nar.realtor/sites/default/files/documents/Housing-is-Critical-Infrastructure-Social-and-Economic-Benefits-of-Building-More-Housing-6-15-2021.pdf>

¹⁹ Source: Zillow Home Value Index <https://www.zillow.com/white-salmon-wa/home-values/>

²⁰ Source: Parolek (2020). Missing Middle Housing: Thinking Big and Building Small to Respond to Today’s Housing Crisis. Island Press.

²¹ Source: New York Times, <https://www.nytimes.com/2021/07/08/realestate/baby-boomers-rich-with-real-estate-and-not-letting-go.html>

²³ Source: BLS <https://www.bls.gov/cpi/news.htm>

- The proliferation of Wall Street investment firms buying up existing housing stock nationally in large quantities to inflate prices and turn a profit on the lack of inventory by converting single family homes into rental units at rates that exceed a typical mortgage.²⁴
- Climate refugees or others who have been impacted by or seek relief from wildfire, drought, natural disasters, etc.

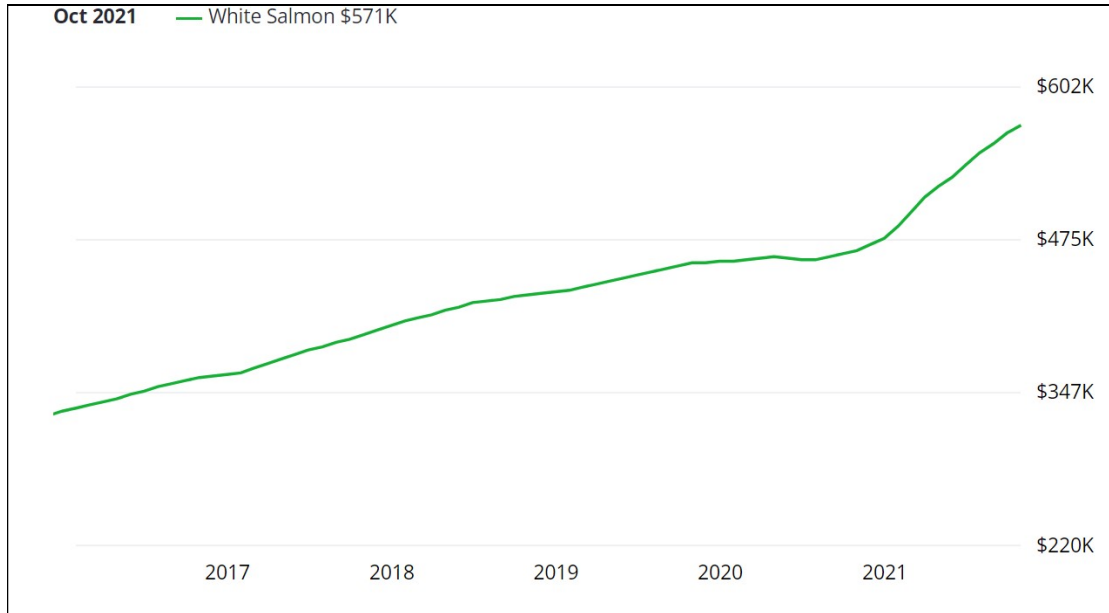


Figure 10

Source: Zillow Home Value Index

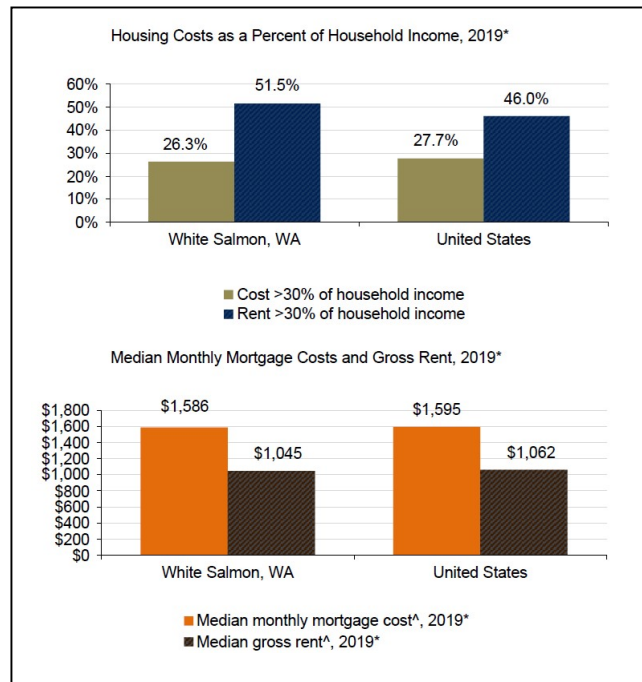


Figure 11²⁵

²⁴ Source: Wall Street Journal, April 2021: <https://www.wsj.com/articles/if-you-sell-a-house-these-days-the-buyer-might-be-a-pension-fund-11617544801> (paywall)

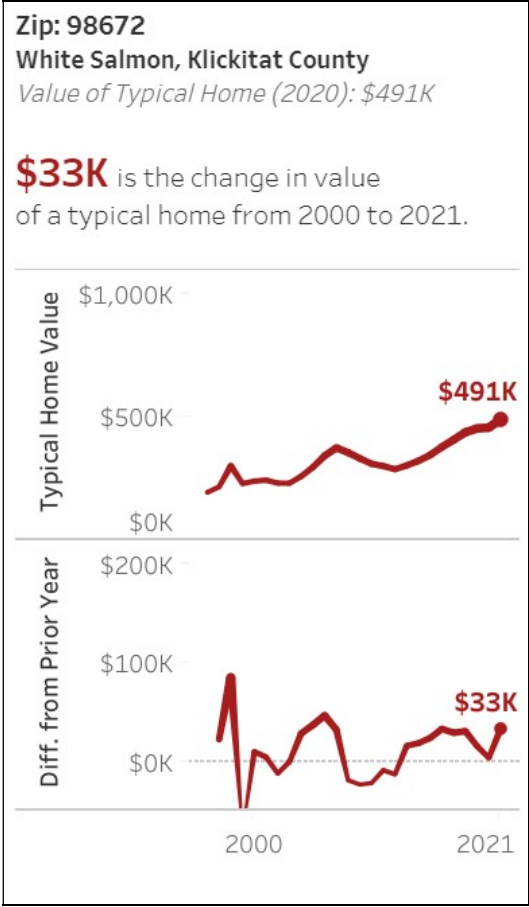


Figure 12

The average sales prices in White Salmon went up from \$163,000 in 2006 to \$218,540 in 2009 (White Salmon Comprehensive Plan, 2012). Since 2015, the City of White Salmon has added only 118 detached single-family units. During that same period the average cost of a home increased from \$300,000 to \$571,000²⁶, a 90% increase in price. During this same period the median family income has remained stagnant in White Salmon with median household income averaging \$54,655 in 2014, and \$55,773 for Klickitat County in 2019 Dollars²⁷. This is compared to \$78,687 for the state of Washington in 2019²⁸ and \$67,521 for the US as a whole in 2020²⁹. Per the 2040 Comprehensive Plan, “Median household income in White Salmon is lower than that of Klickitat County as a whole, meaning that households in White Salmon will likely be “cost-burdened” at even lower rent and purchase-price amounts than in the County” (p. 21)

This has limited supply and inflated costs beyond reach of the average household, however it is important to note that this situation is not simply a failure of supply and demand, rather it is more a failure of supply and *preference*, because the housing types at a price point that a large portion of the population currently needs and increasingly will prefer for cost, location, and lifestyle are simply not

²⁵ Source: Headwaters Economics: Economic Profile System for White Salmon, WA <https://headwaterseconomics.org/apps/economic-profile-system/5300078330>

²⁶ *Ibid*

²⁷ Source: <https://www.census.gov/quickfacts/fact/table/klickitatcountywashington,WA/INC110219#INC110219>

²⁸ Source: <https://www.census.gov/library/visualizations/interactive/2019-median-household-income.html>

²⁹ Source: <https://www.census.gov/library/visualizations/2021/demo/p60-273.html>

being built at sufficient rates, such as walkable infill development of multifamily duplex or triplex units, multiunit townhome and apartment buildings, cottage courts, long term ADU rentals, etc. Each time a single-family home or apartment unit, or ADU is converted into a short-term rental it affects the overall inflation of rental costs by taking one more rental off the market. Furthermore, when individuals are evicted, their demand for somewhere to live doesn't diminish and a rise in rent must be accommodated by a reduction in food, transportation, and substandard or overcrowded living conditions elsewhere.

Literature Review

There is a growing body of research studying the effects of STR and associated regulations on the overall cost of housing and rental rates. While it is difficult to find a particular study that is a perfect fit for the unique situation that is White Salmon, staff offers the following studies and conclusions for consideration as each report study looks at the impacts of Airbnb on the housing and rental market from a different lens and context:

- DiNatale et al. (2018)³⁰ *"Focusing on 237 small cities in Oregon, this study relies on descriptive data from Airbnb, AirDNA, Oregon Department of Revenue, and the U.S. Census to examine the prevalence and characteristics of Airbnbs, revenue potential from lodging taxes, and the impact on long-term housing supply. This study also summarizes the findings from a statewide survey of city managers and planners on regulation and perceptions. We find that the prevalence of Airbnbs varies drastically across cities and is highest in tourist areas. Airbnbs are present on over five percent of the housing stock in 16 cities. While hosts generated \$82 million in revenue, only 11 cities and four counties charge lodging taxes. In total, 38% of Airbnbs are whole homes that are rented more than 30 days in a year, signaling potential impacts on long-term rental supply. Finally, while cities perceive Airbnb to be an issue, only 35% of survey respondents are currently regulating Airbnbs. We find that cities need to understand prevalence and characteristics of STRs and respond with appropriate regulatory controls. Airbnb provides lodging and tourism where hotels have not been available in some cities, but in other cities, Airbnbs place pressure on tight housing markets and draw complaints from residents"*
- Barron et al. (2021)³¹ *"We assess the impact of home-sharing on residential house prices and rents. Using a dataset of Airbnb listings from the entire United States and an instrumental variables estimation strategy, we show that Airbnb has a positive impact on house prices and rents. This effect is stronger in zipcodes with a lower share of owner-occupiers, consistent with non-owner-occupiers being more likely to reallocate their homes from the long- to the short-term rental market. At the median owner-occupancy rate zipcode, we find that a 1% increase in Airbnb listings leads to a 0.018% increase in rents and a 0.026% increase in house prices. Finally, we formally test whether the Airbnb effect is due to the reallocation of the housing supply. Consistent with this hypothesis, we find that, while the total supply of housing is not affected by the entry of Airbnb, Airbnb listings increase the supply of short-term rental units and decrease the supply of long-term rental units."*

³⁰ DiNatale, et al. (2018) Short-Term Rentals in Small Cities in Oregon: Impacts and Regulations: <https://www.eugene-or.gov/DocumentCenter/View/52935/UO-STR-Research-project-summary>

³¹ Barron et al. (2021) The Sharing Economy and Housing Affordability: Evidence from Airbnb: https://www.researchgate.net/publication/324670084_The_Sharing_Economy_and_Housing_Affordability_Evidence_from_Airbnb

- Koster et al. (2021)³² *“Online short-term rental (STR) platforms such as Airbnb have grown spectacularly. We study the effects of regulation of these platforms on the housing market using a quasi-experimental research design. 18 out of 88 cities in Los Angeles County have severely restricted short-term rentals by adopting Home Sharing Ordinances. We apply a panel regression-discontinuity design around the cities’ borders. Ordinances reduced listings by 50% and housing prices by 2%. Additional difference-in-differences estimates show that ordinances reduced rents also by 2%. These estimates imply large effects of Airbnb on property values in areas attractive to tourists (e.g. an increase in house prices of 15% within 2.5km of Hollywood’s Walk of Fame).”*
- Garcia-López et al. (2020)³³ This working paper finds both positive and negative, but mostly marginal impact to home prices across various cities in LA in relation to ordinances. Per the abstract, *“The results of this paper have broad implications for both housing policy and regulation of the peer-to-peer sharing economy. The impact of short-term rental markets on housing prices is not consistent across all jurisdictions. Rather, the impact depends on local conditions and amenities. As such, policies targeting short-term housing rentals and other peer-to-peer platforms such as Uber are likely to result in better outcomes when they are made by local decision-makers with better knowledge of local amenities.”*
- Valentin (2021)³⁴ This study shows that Airbnb is associated with a dramatic positive causal effect on the prices of both the housing and rental markets. *“This study examines the effects of regulations targeting Airbnb and other short-term rental (STR) suppliers in the urban center of New Orleans. Study shows that although the new ordinances reduced participation in the STR market as intended, STR usage actually increased in the neighborhoods adjacent to areas the most affected by the regulations. I subsequently show that the new regulations depressed property values in the neighborhoods facing the tightest regulations by approximately 30%, implying that homeowners factor into their housing purchasing decisions the option to participate in the STR market.”*
- Calder-Wang (2019)³⁵ focuses on both the beneficial effect for low income STR operators and negative effects for renters associated with the changes in the housing market due to Airbnb in New York City. *“Estimate of the welfare and distributional impact of Airbnb on the residents of New York City. Based on a model of an integrated housing market, in which a landlord can offer a housing unit for rent either on the traditional longterm rental market or on the newly available short-term rental market. By estimating a structural model of residential choice and linking it to detailed Airbnb usage data, author estimates the effect of such reallocation on the equilibrium rents across different housing types and demographic groups. In addition, to evaluate the gains from direct homesharing, author estimates a supply system featuring heterogeneous costs. Overall, renters in New York City suffer a loss of \$178mm per annum, as the losses from the rent channel dominate the gains from the host channel. Author finds that the increased rent burden*

³² Koster et al (2021) Short-term rentals and the housing market: Quasi-experimental evidence from Airbnb in Los Angeles: <https://www.sciencedirect.com/science/article/pii/S0094119021000383>

³³ Garcia-Lopez et al (2021) In Search of Peace and Quiet: The Heterogeneous Impacts of Short-Term Rentals on Housing Prices. <https://www.thecco.org/research/in-search-of-peace-and-quiet-the-heterogeneous-impacts-of-short-term-rentals-on-housing-prices/>

³⁴ Valentin (2021): Regulating short-term rental housing: Evidence from New Orleans. <https://onlinelibrary.wiley.com/doi/abs/10.1111/1540-6229.12330>

³⁵ Calder-Wang (2019): The Distributional Impact of the Sharing Economy on the Housing Market. https://scholar.harvard.edu/files/sophie-qingzhen-wang/files/calder-wang_sophie_harvard_airbnb_housing.pdf

falls most heavily on high-income, educated, and white renters because they prefer housing and location amenities that are most desirable to tourists. Moreover, there is a divergence between the median and the tail, where a few enterprising low-income households obtain substantial gains from home-sharing. Thus, this paper delivers a nuanced characterization of the winners and losers of the sharing economy, and provides a framework for understanding the consequences of regulating such technological innovations.

- Almagro and Dominguez-Iino (2019)³⁶ study how changes in tourism patterns driven by Airbnb affect the availability of services, and how these changes impact city residents with different preferences.
- Jain et al. (2021)³⁷ show that Airbnb data can be used as a leading predictor of gentrification, suggesting that Airbnb contributes to gentrification in neighborhoods it enters.
- Bivens, (2019)³⁸ The Economic Policy Institute concludes the economic costs STR imposes on municipalities may outweigh the benefits. While an STR use can be a big windfall for a property owner and provide accommodations for tourists where there otherwise was a lack of accommodations, the costs to renters and local jurisdictions likely exceed the benefits to travelers and property owners. To enforce STR regulations, local governments must expend money for software and staff hours and increased STR use impacts utilities and roads. Additionally, the potential benefits of increased tourism are largely overblown, according to the study. Whether this is true for more amenity rich and recreational tourist locales like White Salon is debatable.
- Guttentag (2016), and Morgan Stanley Research (2017)³⁹ conducted rigorous surveys, prior to the pandemic, which both found that when asking respondents, “Thinking about your most recent Airbnb stay—If Airbnb and other similar person-to-person paid accommodations services (e.g., VRBO) did not exist, what type of accommodation would you have most likely used?” only 2% to 4% of individuals said that they not have taken the trip if an STR option was not available. According to this report, studies claiming that Airbnb is supporting oversized economic activity often vastly overstate the effect because they fail to account for the fact that much of this spending would have been done anyway by travelers staying in hotels or other alternative accommodations absent the Airbnb option.
- Bekkerman, et al. (2021)⁴⁰ studied 18 contiguous municipalities in LA with varying STR regulations and controlled for other variables to see what effect the regulation of STR was having on residential construction, in other words was it a driving force in spurring residential construction. They find that the difference in ADU permits between regulated and unregulated boundaries is 17%. In comparison, the difference in non-ADU permits between regulated and unregulated boundaries is only 9%. (Please see incentive discussion below)

³⁶ Almagro and Dominguez-Iino (2019) https://m-almagro.github.io/Location_Sorting.pdf

³⁷ Jain et al (2021) <https://arxiv.org/pdf/2101.05924.pdf>

³⁸ Bivens, J. (2019). The Economic Costs and Benefits of Airbnb. Economic Policy Institute. <https://files.epi.org/pdf/157766.pdf>

³⁹ Morgan Stanley Research. 2017. *Surprising Airbnb Adoption Slowdown in US/EU, and What It Means for Hotels and OTAs.*

⁴⁰ Bekkerman, et al. (2021) https://papers.ssrn.com/sol3/papers.cfm?abstract_id=3874207

Incentives

Staff finds that the Bekkerman (2021) study presents a compelling situation. Clearly the demand for STR is driving up ADU construction in White Salmon, as attested to in the outside comments the discussions around ADUs have generated. New ADU construction should be encouraged as it is adding to existing housing stock. The increased rate in residential construction spurred by STR presents an opportunity to increase a variety of housing stock through incentives, however this does not negate the impacts to housing affordability, particularly renters, that STR incurs. Therefore, staff recommends that any incentive for STR have some component of cycling the unit into a long term rental, or otherwise require an affordable or attainable deed restriction in the future or on another unit as part of the proposed development.

Staff recommends that the Council and Planning Commission further explore incentives to promote ADU construction, such as prioritizing such developments for STR permits for a certain period of time in order to make the investment for local homeowners paying a mortgage more economically feasible. This could potentially spur increased development of housing stock which will cycle back into long-term rentals upon the sun-setting of a STR permit for a period of time. The Planning Commission had suggested staff explore incentives for affordable housing in relation to STR permits as part of upcoming comprehensive rezoning initiatives next year.

Alternatives and Planning Commission Recommendation

The left-hand column contains the tools and strategies that staff initially identified which are drawn from other peer communities that have regulated STR in their initial recommendation to the Planning Commission as a framework to draw from. The right-hand column is the current recommendation from Planning Commission to the City Council as written in the redline draft of Ch. 5.02 to the City Council. Please see the attached redlines for the specifics of each recommendation by the Planning Commission. Note, staff will present a comprehensive recap of the Planning Commission’s recommendation to City Council.

	Staff’s Recommendation from Peer Communities Strategies	Planning Commission’s Final Recommendation
Zoning Amendments	<p>Staff suggests that the Planning Commission discuss the following alternatives:</p> <ul style="list-style-type: none">• 1. An overlay of the commercial downtown core within which STR is an allowed use by permit without restriction on owner occupied or not. Outside of the overlay STR is not allowed.• 2. An overlay of the commercial downtown core and walkable downtown residential core within which STR is an allowed use by	<ul style="list-style-type: none">• The Planning Commission initially coalesced around option 2, however in later meetings recommended something closer to Option 3.• The Planning Commission’s recommendation is to handle STR by zone instead of overlay. Owner occupancy is required for any STR in the residential zones but not in the Downtown Commercial Zone. (See redline)

	<p>permit with requirements for owner occupancy in the residential areas of the overlay. Outside of the overlay STR is not allowed.</p> <ul style="list-style-type: none"> • 3. Allow STR throughout the city by permit with requirements for owner-occupancy by location. • 4. Do not regulate STR beyond current measures but make zoning amendments to make explicit that it is a commercial use not allowed in residential zones for enforcement purposes. Existing permitted uses will be able to continue their STR use. 	
Dual Use	<ul style="list-style-type: none"> • Additional text amendments to eliminate the ability of dual long-term and short-term use to prevent the renting of a unit long term for 8 months only to evict the tenant for the STR rental season. 	<ul style="list-style-type: none"> • Not in Planning Commission's recommended redlines
Signage	<ul style="list-style-type: none"> • Requirements for on-site signage for approved STR units with contact info for conflict resolution and enforcement. 	<ul style="list-style-type: none"> • Not in Planning Commission's recommended redlines
Incentives	<ul style="list-style-type: none"> • Incentives for landlords to convert their STR to long-term housing 	<ul style="list-style-type: none"> • Planning Commission is very receptive to this idea
Affordable Housing Requirements	<ul style="list-style-type: none"> • Affordable housing mitigation requirements for new STR use (long term, requires affordable housing regulations) 	<ul style="list-style-type: none"> • This was not discussed as it is a long-term option that can be revisited.
Tracking Software	<ul style="list-style-type: none"> • Tracking Software: Tracking software is essential for understanding the scope of the STR use in the 	<ul style="list-style-type: none"> • The Planning Commission was initially divided on the need for tracking software, but ultimately decided that

	<p>community, to identify revenue loss and administer fines, and to protect the community with health and safety measures in identifying and bringing STRs into compliance. Greater automation of tasks reduces staff time and additional tools include a 24/7 hotline for complaints or violations and consulting services.</p>	<p>administrative matters should be handled by Council.</p>
<p>Permit Fees</p>	<ul style="list-style-type: none"> • <u>Increase in Permit Fees:</u> A common method is to price the cost of a permit at roughly one or two times the average cost of a night of stay. If the average is \$180 this would suggest an annual permit fee of around \$350-400 to cover administration costs. 	<ul style="list-style-type: none"> • See above
<p>Quantity and Duration Limits</p>	<ul style="list-style-type: none"> • <u>Quantity and Duration Limits</u> Staff suggests that STR be limited to a set number of dates per year. This could be 60, 90, 120 days for residential units and within the commercial core or unlimited 365 days per year for non-owner occupied units in the commercial core. • Staff suggests setting a maximum number of STR units by location. For example, it may be reasonable to say that no more than 5% or 10% of all housing units in the downtown walkable core may be STR. • Staff suggests placing a twilight cause on the automatic renewal of the permit of five years at which point it is available via wait list or other such method. 	<ul style="list-style-type: none"> • The Planning Commission defined two separate categories of residential STR: Vacation Home Rentals and Hosted Homeshares. • The overall number of permits will be capped at 10% of housing stock throughout the City. • When the cap is reached staff will maintain a queue for those waiting for a permit. Hosted homeshares and vacation home rentals may receive 7 consecutive permits until at which point permits must be relinquished and they may reapply pending permit availability. • Commercial zone STRs are not required to be owner occupied, and do not expire, but can not exceed 30% of residential units in a

	<ul style="list-style-type: none"> • Staff also suggests limiting the number of STR permits any one individual can receive from the city. 	<p>building, rounded up or down.</p> <ul style="list-style-type: none"> • The split between hosted homeshare and vacation home rental permits shall be 70/30 • Vacation home rentals are rental of an entire home that is the primary residence of the owner occupier and may not exceed 150 days a year • Hosted Homeshares may rent 365 days per year. • Existing permits prior to the moratorium shall be 'grandfathered' for 10 years
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Recommendation

Staff recommends that the City Council conduct a public hearing, open the matter for public comment, discuss the Planning Commission’s proposed alternative, and provide direction to staff regarding the current redline document to be adopted by ordinance.

Chapter 5.02 Short-Term Rentals

Sections:

5.02.005 Findings, intent and purpose.

- A. In the adoption of these regulations, the city finds that the rental of dwelling units and lodging units for less than thirty days is an important contributor to the comprehensive plan's tourism goal. The city also finds that these short-term rentals are part of an emerging market that has the potential to be incompatible with surrounding residential uses.
- B. The regulations below are intended to create a registration of short-term rentals that will:
1. Determine the impact to the local economy;
 2. Reduce administrative burdens ~~and barriers to entry~~;
 3. Ensure market fairness and taxation;
 4. Protect guests; and
 5. ~~Avoid unchecked~~ Mitigate neighborhood disruptions.
- C. This chapter provides an administrative framework for registering the annual operation of a short-term rental. A short-term rental permit is a limited permission to use property for short-term rental purposes. A permit may be modified or revoked if the standards of this chapter are not met.

(Ord. No. 2019-12-1052, § 1, 12-4-2019)

5.02.010 Definitions.

As used in this chapter, the following definitions shall apply unless the context clearly indicates or requires a different meaning:

- A. "Contact person." The owner or, if designated on the application for a permit, the management representative authorized to act for the owner.
- B. "Dwelling unit." One or more rooms occupied, designed or intended for occupancy as separate living quarters, and containing ~~four or more of~~ the following:
1. Refrigeration;
 2. Cooking facility (including cooking stove, **hot plate**, range hood, microwave, or similar appliance) ~~or wiring or venting to support same~~;
 3. ~~Dishwashing machine~~;
 4. Sink intended for meal preparation (not including a wet bar);
 5. ~~Garbage disposal~~;
 6. Toilet; and ~~or~~
 7. Shower or bathtub.
- C. "Daytime" Between the hours of 7:00 am to 10:00 pm

- D. "Downtown commercial zone" refers to land zoned commercial in the downtown commercial core centered on Jewett Avenue between Northwest Garfield Avenue and Dock Grade Road.
- E. "Hosted homeshare" The short-term rental of a portion of a dwelling or an attached or detached separate accessory dwelling unit (ADU) on the property of the licensee's primary address, where the licensee is generally present during rental periods.
- F. "Local area." All areas in the Washington counties of Clark, Klickitat and Skamania and the Oregon county counties of Hood River, Wasco and Multnomah.
- GD. "Lodging unit." Bedrooms or sleeping facilities not meeting the criteria of a dwelling unit set forth in paragraph B, above.
- H. "Overnight." Between the hours of 10:00pm to 7:00 am the following day.
- IE. "Owner." The natural person or legal entity that owns and holds legal and/or equitable title to the property.
- J. "Owner occupancy." Owner occupancy is demonstrated through providing a previous year's tax return, a copy of a driver's license or identification card, and a voter registration card demonstrating that the unit is the primary residence of the owner.
- KF. "Remuneration." Compensation, money, rent or other bargained for consideration given in return for use, rent, or occupancy of a short-term rental.
- LG. "Short-term rental." A dwelling unit or lodging unit for which an owner receives or seeks remuneration for use or occupancy for a period of less than thirty consecutive days per rental period. Businesses with current transient accommodation licenses (e.g. hotels, motels and bed and breakfasts) under RCW Ch. 70.62 are specifically exempted from this Chapter 5.02.
- MH. "Short-term rental permit" or "permit." The regulatory permit required by WSMC 5.02.15 and described in this chapter.
- N. "Vacation home rental". The short-term rental of an entire primary dwelling unit. This does not include accessory dwelling units (ADUs).

(Ord. No. 2019-12-1052, § 1, 12-4-2019)

5.02.015 Short-term rental

~~permit required.~~

- A. **Permit required.** No owner or manager of property within the White Salmon city limits may advertise, offer, operate, rent, receive remuneration for, or otherwise make available or allow any other person to make available for occupancy a short-term rental without a short-term rental permit. Advertise or offer includes through any media, whether written, electronic, web-based, digital, mobile or otherwise.

(Ord. No. 2019-12-1052, § 1, 12-4-2019)

5.02.020 Application and fee.

- A. Application Required. An application for a short-term rental permit shall be completed and submitted to the city on a form provided by the city. The application shall be signed by the owner or owner's agent~~contact person~~ and contain the following information:

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1. Owner Information. Owner's name, permanent residence address, telephone number, owner's mailing address, and the short-term rental address and landline telephone number, if available.
 2. Proof of Residency (for conforming short-term rentals within the RL, R-1, R-2 or R-3 zones only). Proof of residency of a dwelling unit shall be established through owner occupancy of the primary residence. The applicant shall provide the following items as evidence that the dwelling is the primary residence of the owner:
 - a) A copy of the voter registration.; and
 - b) A copy of a Washington Driver's License or Identification Card.; and
 - c) A copy of federal income tax return from most recent tax year (page 1 only, financial data should be redacted).
 32. Contact Person Information. If the owner ~~does not permanently reside in the local area or~~ is not always available when ~~the a vacation home or hosted homeshare~~ property is being rented, the owner shall provide the name, telephone number and email of a contact person from the local area to represent the owner regarding the use of the property and/or complaints related to the short-term rental as set forth in WSMC 5.02.040(C).
 43. Tax Information. A statement of intent to collect and remit all taxes associated with the short-term rental.
 54. Inspection Access. A statement allowing the city reasonable access to the property for the purpose of reviewing the proposal for the health and safety requirements set forth in WSMC 5.02.040(D).
 65. Right to Publish Contact Information. A statement allowing the city to make owner and contact person phone numbers publicly available at City Hall.
 76. Neighborhood Notice. A statement of intent to notify neighbors as required by WSMC 5.02.040(A).
 87. Good Neighbor Guidelines. A statement of intent to provide the city-provided Good Neighbor Guidelines to guests of the short-term rental.
 98. Parking Diagram. ~~A statement of intent to provide guests of the short-term rental with a diagram of parking spaces that are available to or intended for use by the short-term rental. Statement that required parking spaces are available, with a dated photo(s) submitted of interior and exterior parking spaces. A site plan including a parking diagram of these parking spaces shall also be submitted and provided to guests staying in the short-term rental unit.~~
 109. Liability Insurance. A statement of intent to provide liability insurance coverage as required by WSMC 5.02.040.G.
 11. Fire Safety. A completed checklist for fire safety as required by WSMC 5.10.XX
 12. Garbage Service. Proof of garbage service as required by WSMC 5.10.XX
 13. Occupancy. Provision of occupancy limits and number of bedrooms.
 1410. Such other information as the city administrator or designee deems reasonably necessary to administer this chapter.
- B. Application Fee. Applications under this section shall be accompanied by a ~~nonrefundable~~ fee payable to the city in an amount established and periodically adjusted by city council resolution.
- C. Incomplete Application. If a license application does not include all required materials, the application will be considered incomplete and the City will notify the applicant, by electronic mail, explaining the information required. If the applicant provides the missing required information within 30 calendar days of the date of

the notice, the application will be reviewed. If the applicant does not provide the required information, the application will be deemed withdrawn and the City may refund all or a portion of the application fee.

- DC.** Discretionary Fees. At the discretion of the city administrator or designee, the application fee may include the actual costs for labor, overhead, and expenses for outside consultant reviews and/or special inspections.
(Ord. No. 2019-12-1052, § 1, 12-4-2019)

5.02.025 Term of annual permit.

A. Term. A short-term rental permit shall be issued for a period not to exceed one year, with its effective date running from the date the permit is issued to ~~December 31~~ January 31 and may be renewed annually by the owner or contact person provided all applicable standards of this chapter are met for a maximum of 8 consecutive years (7 consecutive permit renewals) whereupon the applicant may reapply for a permit if available, or join the existing queue to obtain a permit when one becomes available per WSMC 5.02.030.(F).

B. Transferability. The operating license shall be issued in the name of the licensee(s) and is not transferable to a new property owner or occupant without submission of a new short term rental application.

(Ord. No. 2019-12-1052, § 1, 12-4-2019)

5.02.030 Permitting and renewal procedures.

A short-term rental permit shall be obtained and/or renewed as required in this section. This permit is in addition to the city business license required under WSMC Ch. 5.04., and the supplemental zoning regulations under WSMC Ch. 17.57. The ability to operate a short-term rental in the city of White Salmon shall be discontinued in the event the owner fails to obtain or renew a permit to operate as provided in this chapter.

- A.** Application and Renewal Process. A person engaging in operation of a short-term rental who has not yet obtained a permit, or who is required to renew an existing operating permit, shall do so as follows:
1. Time for Application.
 - a. New Permits. For new short-term rental permits, it is the responsibility of the owner or ~~contact person~~ owner's agent to apply for and receive a permit prior to operation of a short-term rental. Short-term rental permits shall be processed as a conditional use permit. Applications for conditional uses shall be processed as a Type I-B decision by the administrator for simple applications or as a Type II decision where in the administrator's discretion additional public input or planning commission review is necessary or appropriate according to procedures set forth in Title 19.
 - b. Existing Short-term rentals. A completed permit renewal application and renewal fee is due for all existing short-term rentals annually by December 31.
 2. Notice. Prior to the December 31 annual due date, the city shall send notice of the need for a permit or expiration of a permit to the owner of any property for which an application is due as follows:
 - a. For the first permit required for any short-term rental in the city, it is the owner's obligation and responsibility to apply for a permit.
 - b. For permit renewal, notice will be sent to the mailing and email addresses of the owner and contact person as provided to the city on the application.

B. Exemption for existing ‘grandfathered’ homeshares and vacation homes within the RL, R1, R2, and R3 zones. For the purposes of this section, an existing ‘grandfathered’ homeshare or vacation home is one which meets all of the standards and criteria in WSMC 17.57.XX. The extent of the nonconformity and exemption shall be limited to compliance with the standards that were in effect in WSMC Ch 5.02 prior to the adoption of Ordinance 2022-XX on XX/XX/2022 and shall remain exempt from new regulations for a maximum of ten consecutive years from initial permit issuance following this ordinance. The applicant has the burden of proving by a preponderance of credible evidence that all the elements of a nonconforming hosted homeshare or vacation home rental were extant prior to the adoption of Ordinance 2022-XX on XX/XX/2022. Applicants shall be subject to the fees in place for yearly permit renewal.

C. Exemption for existing ‘grandfathered’ short-term Rentals within the downtown commercial zone. For the purposes of this section, an existing ‘grandfathered’ short-term rental is one which meets all of the standards and criteria in WSMC 17.57.XX. The extent of the nonconformity and exemption shall be limited to compliance with the standards that were in effect in WSMC Ch 5.02 prior to the adoption of Ordinance 2022-XX on XX/XX/2022 and shall remain exempt from new regulations provided the use is vested. The applicant has the burden of proving by a preponderance of credible evidence that all the elements of a nonconforming short-term rental in the commercial zone were extant and vested under RCW 19.27.095 prior to the adoption of Ordinance 2022-XX on XX/XX/2022.

D. Quantity of permits by location and owner.

1. Maximum number of permits per owner.

a) A maximum of one hosted homeshare or vacation home rental permit shall be issued per owner occupied property in the in the RL, R1, R2, and R3 zones.

b) There is no limit on the number of short-term rental permits an individual or entity may obtain in the downtown commercial core.

2. Cap on permits outside the downtown commercial core. The city limits the amount of overall hosted homeshare and vacation home rental permits issued annually in the RL, R1, R2, and R3 zones to 10% of housing units and shall be adjusted by the administrator based upon the most recent housing data reported by the City to the Washington Office of Financial Management annually prior to issuance of new permits.

3. Ratio of hosted homeshare to vacation home rental permits. The percentage of permits that are issued by the type of use within the maximum allowed cap on permits shall be as follows,

<u>Hosted homeshare</u>	<u>70%</u>
<u>Vacation home</u>	<u>30%</u>

4. Downtown commercial core. There is no cap on the number of short-term rental permits in the downtown commercial core. No more than 30% of residential units within any building in the downtown commercial core zoning district may be used as short-term rentals. This number shall be rounded to the nearest integer, with a half integer rounded down, depending on the number of existing or proposed units.

For example:

<u>Units in building</u>	<u>Max number of short-term rentals</u>
<u>Up to 5 units</u>	<u>1</u>
<u>6 to 8 units</u>	<u>2</u>
<u>9 to 11 units</u>	<u>3</u>
<u>12 to 14 units</u>	<u>4</u>

<u>15 to 18 units</u>	<u>5</u>
<u>19 to 21 units</u>	<u>6</u>
<u>22 to 25 units</u>	<u>7</u>

E. Queue. In the event the maximum number of permits is issued by the city within any given year, the Administrator or their designee shall accept and tentatively approve conforming hosted homeshare and vacation home rentals on a first come first serve basis with the condition that a license will not be issued until such time that a permit becomes available. The queue list shall be administered and updated as needed to monitor the cap on permits and ratio of homeshares to vacation homes by the Planning Director or their designee and be made available on the City of White Salmon website.

FB. Permit Expiration. For renewals, upon expiration of a thirty-day late period commencing January 31st of each year at the end of each calendar year, the ability to operate shall be conclusively presumed to be discontinued and the city will commence revocation of the permit pursuant to the procedures in WSMC 5.02.045. Failure to exercise the permit will result in nonrenewal.

(Ord. No. 2019-12-1052, § 1, 12-4-2019)

5.02.035 Criteria for approval and renewal of a permit.

A. Zoning Compliance. The property is in compliance with requirements of WSMC Ch. 17.57 Short-term rental (Zoning).

B. Health and Safety.

1. Every short-term rental permit shall be subject to inspection by the building official or designee at the city's discretion. The purpose of the inspection is to determine conformance with the Short-Term Rental Fire Safety Checklist (fire extinguishers, smoke alarms, carbon monoxide detectors, posted evacuation plans, etc.). It is the owner's responsibility to assure that deficiencies identified in the checklist are addressed and that the short-term rental is and remains in substantial compliance with all applicable fire, building, and safety codes and other relevant laws, whether identified on the short-term rental fire safety checklist or not.

2. Solid Waste Collection – minimum service requirements. During all months that the dwelling is available for transient accommodation, Vacation Home Rentals shall have weekly solid waste collection service with assisted pick-up provided by the solid waste provider, if available. For the purposes of this section, assisted pick-up means the collection driver retrieves the cart from the driveway, rolls it out for service, and then places it back in its original location.

C.A. New Permit. Upon receipt of a complete application for a new short-term rental permit and payment of all required fees and after completing all required operational requirements of section 5.02.040, below, the city administrator ~~or designee~~ or designee will issue a short-term rental permit.

D.B. Permit Renewal. Upon receipt of a complete application for renewal of a short-term rental permit and payment of all required fees, the city will review the application and available information to determine compliance with the operational requirements of WSMC 5.02.040. If not met, the city administrator ~~or designee~~ or designee will not renew the permit and the property shall not be used as a short-term rental. ~~Alternatively, the city administrator may issue the permit subject to reasonable special operational standards.~~

E.C. Owner's Role. The owner has the burden of proof to demonstrate compliance with each operational requirement and special standard placed on the short-term rental permit. Staff may verify evidence submitted and the applicant shall cooperate fully in any investigation.

F.D. Appeals. A decision on a permit application or renewal may be appealed as provided in WSMC 5.02.055. (Ord. No. 2019-12-1052, § 1, 12-4-2019)

5.02.040 Operational requirements.

A. Maximum number of nights. The maximum number of nights per year which a short-term rental may be operated shall be in accordance with WSMC Ch 17.57.XX and as specified below. The license shall specify whether the short-term rental will be operated as a hosted homeshare or a vacation home rental. The maximum number of nights shall be indicated on the license and shall not be exceeded.

<u>Short-term rentals in downtown Commercial zone:</u>	<u>365 nights /year</u>
<u>Conforming hosted homeshare rentals in the RL, R1, R2, and R3 zone:</u>	<u>365 nights /year</u>
<u>Conforming vacation home rentals in RL, R-1, R-2 and R-3 zones:</u>	<u>150 nights /year</u>
<u>Existing non-conforming short-term rentals in the downtown commercial zone:</u>	<u>See WSMC 5.02.030.B</u>
<u>Existing non-conforming short-term rentals in RL,R-1, R-2 and R-3 zones:</u>	<u>See WSMC 5.02.030.C</u>

B. Parking.

1. A minimum of one (1) hard surfaced off-street parking space shall be provided for every two bedrooms. In calculating the number of spaces required, the total shall be rounded up. Parking areas shall not be located in the front yard. A photo of all parking spaces including the interior of the garage, if applicable, shall be submitted to show parking availability. Required parking may be permitted on another lot within 250 feet of the subject property with a shared parking agreement or proof of legal parking access.

2. A parking diagram of the approved parking spaces shall be provided to tenants and be available in a prominent location within the short-term rental dwelling.

C. Occupancy. The maximum overnight occupancy for the dwelling shall be limited to two persons per bedroom (as defined by the International Building Code) and two additional persons (e.g., a two-bedroom dwelling is permitted a maximum overnight occupancy of six persons). The maximum daytime occupancy shall be limited to the overnight occupancy plus six additional persons (e.g., a two-bedroom dwelling is permitted a maximum daytime occupancy of twelve).

D. Specific Prohibitions. The following activities are prohibited on the premises of a short-term rental during periods of short-term rental by a guest:

1. Events. Examples of events include, but are not limited to, company retreats, weddings, rehearsal dinners, etc.

2. Unattended barking dogs.

3. Activities that exceed noise limitations set by WSMC Ch 8.05. during the hours of "overnight" stay as defined in WSMC 5.02.10

EA. Notice to Neighbors. The owner or contact person shall provide a mailing or otherwise distribute by hand prior to the initial permit, a flier to all property owners of record and/or occupants of properties adjacent to and abutting the property boundaries of a radius of 150 feet permitted as a short-term rental. The notice shall include the permit number and the telephone number of the owner and contact person. The purpose of this notice is so that neighboring property owners and residents can contact a responsible person to report and request resolution of problems associated with the operation of the short-term rental. If the permanent contact information changes during the permit period, the new information must be mailed or distributed again.

FB. Public Availability. In addition, the city will make a registry publicly accessible within which any person can obtain the owner and contact person's name and telephone number. If the permanent contact information changes during the permit period, the new information must be provided to the city.

GC. Response to Complaints. The owner or contact person shall respond to neighborhood questions, concerns, or complaints in a reasonably timely manner depending on the circumstances.

1. Owner Responsibility. Reasonable initial inquiries or complaints related to the expectations set in the Good Neighbor Guidelines may first be made to the owner or contact person. However, it is not intended that the owner or contact person act as a peace officer or code enforcement officer of the city or put themselves in an at-risk situation. In such cases, the owner or contact person should contact the city to discuss resolution of the complaint.
2. Complaint Log. The owner or contact person should maintain a record of complaints and the actions taken in response to the complaint, if relevant, in a manner reasonable to document the interaction. If kept, this record can then be made available for city inspection upon request.
3. City Authority. If there is a failure to respond or a clearly inadequate response by the owner or contact person, a complaint may be submitted to the city on a form provided by the city, and the city will respond or investigate as needed. The city will first seek voluntary compliance or resolution, but if the city finds substantial evidence supports further action given the complaint(s), the city will follow the warning and revocation procedures set forth in WSMC 5.02.045.
4. Records. On request and in compliance with the public records law, the city shall provide the owner and/or contact person with the information in the complaint.
5. Grounds for Warning. ~~Repeated-F~~ failure of the owner or representative to timely and reasonably respond to a complaint(s) relayed by neighbors or city staff is considered grounds for a warning and potential revocation under WSMC 5.02.045. ~~Repeated-N~~ noise complaints regarding tenants may be grounds for a warning to the owner, if, in the reasonable judgment of the city administrator, the circumstances indicate the owner should be held responsible. Initiating a nuisance enforcement action under WSMC Ch. 8.70 may be grounds for a warning in the appropriate circumstances.
6. Administrative Rules. The city administrator may establish administrative rules to interpret, clarify, carry out, and enforce the provisions of this chapter. A copy of such administrative rules shall be on file and made available at City Hall.

~~D. Health and Safety. Every short term rental permit shall be subject to inspection by the building official or designee at the city's discretion. The purpose of the inspection is to determine conformance with the Short-Term Rental Fire Safety Checklist (fire extinguishers, smoke alarms, carbon monoxide detectors, etc.). It is the owner's responsibility to assure that deficiencies identified in the checklist are addressed and that the short term rental is and remains in substantial compliance with all applicable fire, building, and safety codes and other relevant laws, whether identified on the short term rental fire safety checklist or not.~~

DE. Taxation. The owner shall fully comply with all applicable city and state tax reporting and payment requirements, especially lodging taxes due to the city under WSMC 3.50 and retail sales and use taxes due under WSMC 3.04.

EF. Mandatory Interior Postings. Important information related to the permitting and use of the short-term rental shall be displayed in a prominent location within the interior of the dwelling, either adjacent to the front door or in a highly visible rental binder. The information shall include:

1. The short-term rental permit;
2. Any special standards placed on the short-term rental permit;
3. The property address;
4. The name of the owner and contact person and a telephone number where the owner and contact person may be contacted;
5. The parking diagram of the parking spaces available for use by the short-term rental. The parking diagram may include on-street parking areas, but on-street parking is not for the exclusive use of any home or short-term rental; and
6. The city-provided Good Neighbor Guidelines. Additionally, the city encourages all owners to incorporate the Good Neighbor Guidelines into the rental contract.

GF. Liability Insurance. The owner shall maintain liability insurance which expressly covers the property's use as a short-term rental.

(Ord. No. 2019-12-1052, § 1, 12-4-2019)

5.02.045 Revocation procedure.

A. In addition to the penalties described in WSMC 5.02.050, the following provisions apply to violations of this chapter:

1. Failure to renew a permit as set forth in WSMC 5.02.030 is grounds for revocation of the short-term rental permit.
2. Failure to timely pay lodging or sales taxes required by WSMC 5.02.040.E or to otherwise meet the operational requirements of WSMC 5.02.040 is grounds for revocation of the permit.
3. The discovery of material misstatements or providing of false information in the application or renewal process is grounds for revocation of the permit.
4. Such other violations of this chapter of sufficient severity in the reasonable judgement of the city administrator, so as to provide reasonable grounds for revocation of the permit.
5. Other violations of this chapter, including but not limited to city-initiated investigation/sustaining of complaints, shall be processed as follows:
 - a. For the first and second violations within ~~the period of the permit issuance~~ ~~twelve-month period~~, the sanction shall be a warning notice.

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- b. If the same offense continues to occur or a third similar offense occurs at any time during a twelve-month period, the city may either issue a third warning, update the permit to include reasonable special operational standards, or revoke the permit.
 - B. Notice of Decision/Appeal/Stay. If the short-term rental permit is updated or revoked as provided in this section, the city administrator or designee shall send written notice to the owner stating the basis for the decision. The notice shall provide a date that a short-term rental permit is to be revoked and shall be no earlier than thirty calendar days from the date of the notice. Provided, however, stays booked prior to the notice of permit revocation may be honored by the owner or manager unless the revocation was due in part to life, health or safety violations that pose a risk to the renters. The notice shall include information about the right to appeal the decision and the procedure for filing an appeal. The owner may appeal the city administrator's decision under the procedures set forth in WSMC 5.02.055. Upon receipt of an appeal, the city administrator or designee shall stay the update or revocation decision until the appeal has been finally determined by the city council.

(Ord. No. 2019-12-1052, § 1, 12-4-2019)

5.02.050 Violations—Penalties.

- A. In addition to the revocation procedures of WSMC 5.02.045, any person or owner who uses, or allows the use of, property in violation of this chapter is guilty of a class 1 civil infraction under RCW 7.80.120(1)(a) and is subject to fine or two hundred fifty dollars per violation. Each day a dwelling is used in violation of this chapter shall be considered a separate violation. Furthermore, the use is subject to abatement as a nuisance under WSMC Ch. 8.07.
- B. The following conduct also constitutes a violation of this chapter subject to punishment as Class 1 Civil Infraction:
 - 1. Renting or representing a dwelling unit or lodging unit as available for occupancy or rent as a short-term rental where the owner does not hold a valid permit issued under this chapter, or making a short-term rental available for use, occupancy or rent without first obtaining a valid operating permit, or renting an approved vacation home in excess of 150 days per year;
 - 2. Advertising or renting a short-term rental in a manner that does not comply with the standards of this chapter; and
 - 3. Failure to comply with the operational requirements of WSMC 5.02.040.

(Ord. No. 2019-12-1052, § 1, 12-4-2019)

5.02.055 Appeals.

- A. Appellant—Standing. Only the owner or contact person shall have standing to appeal a decision by the city to deny, revoke or attach special operational standards to a short-term rental permit.
- B. Authority to Decide Appeal. The city council shall be responsible for determining an appeal of a decision brought under WSMC 5.02.055.A.
- C. Time for Filing. An appellant is required to file a written notice of appeal including the basis for the appeal within fourteen calendar days of the permit determination being appealed. This requirement is jurisdictional and late filings shall not be allowed.
- D. Fee for Appeal. The city council may establish by resolution a fee for filing an appeal, and payment of the required fee shall be jurisdictional.

(Supp. No. 23)

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-
- E. Hearing. After receiving written notice of appeal, the city administrator or designee shall schedule a hearing on the appeal before the city council. At the hearing, the appellant shall have the opportunity to present evidence and arguments as may be relevant. The council may direct staff to draft findings of fact and interpretations of code or law to be considered at a later council meeting.
 - F. Standard of review and decision. The council shall determine whether the city's decision was based on a preponderance of the evidence. A decision of the council shall be based on the evidence received, in writing and signed by the mayor, and issued no later than thirty calendar days after the close of the hearing.
 - G. Finality. The council's decision shall be final on the date of mailing the decision to the appellant. The council's decision is the final decision of the city and is appealable only under the Land Use Petition Act (LUPA), RCW Ch. 36.70C.

(Ord. No. 2019-12-1052, § 1, 12-4-2019)

5.02.060 Discontinuance of short-term rental occupancy.

- A. After Revocation. After a short-term rental permit has been revoked, the dwelling unit may not be used or occupied as a short-term rental unless a new permit is issued, and the owner of the property to which the permit applied and whose permit has been revoked shall not be eligible to reapply for a short-term rental permit for short-term rental on the same property for a period of twelve months from the date of revocation.
- B. After Expiration. If a short-term rental permit expires, the dwelling unit may not be used or occupied as a short-term rental. The owner of the property to which the permit applied and whose permit has expired shall be required to apply for and obtain a short-term rental permit before the property may be lawfully used or occupied as a short-term rental.

(Ord. No. 2019-12-1052, § 1, 12-4-2019)

5.02.065 Remedies not exclusive.

The remedies provided in this chapter are in addition to, and not in lieu of, all other legal remedies, criminal and civil, which may be pursued by the city to address any violation of this code.

(Ord. No. 2019-12-1052, § 1, 12-4-2019)

File Attachments for Item:

D. 2022 Lodging Tax Grant Program Award

1. Presentation and Discussion

2. Action



AGENDA MEMO

Needs Legal Review: Yes
Meeting Date: December 1, 2021
Agenda Item: 2022 Lodging Tax Grant
Presentation: Jan Brending, Clerk Treasurer

Action Required

Award 2022 Lodging Tax Grant.

Proposed Motion

Motion to award a \$40,000 2022 Lodging Tax Grant to the Mt. Adams Chamber of Commerce.

Explanation of Issue

The City established guidelines for the city's lodging tax grant program (attached). The city opened the application period on October 13, 2021. Applications were due on November 8, 2021. The City received one application – Mt. Adams Chamber of Commerce for \$40,000. The grant application and supplemental information is attached.

The Lodging Tax Advisory Committee met on November 18, 2021 to review the application and Mt. Adams Chamber of Commerce made a presentation. The committee voted unanimously to recommend awarding a 2022 Lodging Tax Grant to Mt. Adams Chamber of Commerce in the amount of \$40,000.

Recommendation of Staff/Committee

Staff and the Lodging Tax Advisory Committee recommends the city council award a 2022 Lodging Tax Grant to Mt. Adams Chamber of Commerce in the amount of \$40,000.



City of White Salmon

2022 Lodging Tax Grant Application

RECEIVED NOV 08 2021
3:00pm *adms*

About the Organization	
Organization Name: Mt Adams Chamber of Commerce	
Address: PO Box 449 – 1 Heritage Plaza, White Salmon. WA 98672	
Phone: 509-493-3630	Email: mtadamschamber@gmail.com
Contact Person: Tammara Toppel	Title: Executive Director
Project Name: White Salmon Tourism	Project Dates: Jan 1 – Dec 31, 2022
Please list the names and titles of Board Members (if applicable):	
Chair: Dawn McSweyn , Windermere Realtor	
Vice-Chair: Elizabeth Jones-Ferguson , Blackbird & Ivory Boutique	
Secretary: Kip Miller , Insitu	
Treasurer: Karalee Holtmann , First Interstate Bank	
Past Chair: Ruth Shafer , White Salmon Valley Community Library	
Jeff Meier , Acct-N-Tax Sharon Saltoon , Wet Planet Whitewater Chris Wiggins , Ruby June Inn Stephanie Saur , Union Event Co. Kirsten Poole , Kirsten's Critter Care Dawn Carmichael , Summit Embroidery Works	
Has this organization received Lodging (Hotel/Motel) tax funding in the past: Yes	
If so, for which years and project name: 2021 Klickitat County Tourism	
Are you a nonprofit organization exempt from taxation under IRS 501(c)(3) code? Yes	
Request for Funding	
Description of Activity, event schedule and amounts requested (please attached additional paper if more space is required):	

Year-round marketing and advertising promoting White Salmon as an overnight destination.

Explorewhitesalmon.com will be the official tourism website and Explore White Salmon social media platforms for White Salmon Tourism.

Explore White Salmon will promote overnight stays with 4 seasonal marketing campaigns through Explore White Salmon website and social media platforms. Explorewhitesalmon.com includes categories and listings for Stay, Dine, Shop, Things to Do, Events and Community. Explore White Salmon focuses on lodging, local businesses, the art community, outdoor activities/recreation, festival/events promotion, points of interest, and parks.

White Salmon Tourism will be the hub of marketing for White Salmon as a destination.

Website: explorewhitesalmon.com \$4200

Social Media: \$9600

Visitor Info Center: \$6,000

Print Map of Downtown & Distribution: \$7,500

Advertising (print & online): \$12,700

Total Project Cost \$40,000	Total Amount Requested \$40,000
-----------------------------	---------------------------------

Submit Excel Budget Spreadsheet in addition to this application

Projected Tourism Benefits

Expected number of participant/spectators: Website – 15,000 New Users (last year of data 14,419 New Users)

Expected number of out-of-town participants/spectators (traveling more than 50 miles or staying overnight): Website: 42% OR (45% from PDX; 12% HR, 12%TD, 31% Other Cities in OR), 30% WA (33% Seattle, 9% Vancouver, 6% WS, 52% Other Cities in WA), 10% CA, 18% Other States

Expected number of room nights generated: 1072 page views of Stay – Anticipated increase in overnight stays w/ campaign

Explain how your organization will collect and verify the above information (i.e. surveys, registration, hotels, etc.):

Website: Google Analytics

Social Media: FB & IG Insights

Visitor Info Center: Data logs & Guest logs

Survey of innkeepers - Feedback from the community is very important.

Print Map w/ Distribution: Certified Folder Display Service Inc reporting on flow of product.

Advertising: Media Kits w/ Analytics

Explain how this project meets the guidelines and criteria for lodging (hotel/motel) tax funding.

The MACC Visitor Center operates in a prime location year round to provide resources to both tourists and local community members. The MACC Visitor Center staff engages with each guest to determine their interests and time availability to customize an itinerary if appropriate, which promotes attractions/activities, wine tasting rooms/breweries, restaurants, lodging and shopping opportunities that are available in White Salmon. Our knowledgeable staff is able to redirect guests from crossing into Oregon and keep them on the Washington side of the river quite often by showcasing the attractions here and directing them to the businesses, just up the hill from our visitor center. Staff dedicates time to social media posts and other projects to promote White Salmon

businesses and any events that will bring visitors to our town. They answer phone calls, emails and send visitor packets on request. We promote White Salmon with our local radio ad campaign. The Explore White Salmon website is established and known making it an ideal tool for our campaign to promote White Salmon. The printed map of downtown White Salmon will bring awareness and be an enticement to visitors to come enjoy the local attractions during their stay. All of these activities are in alignment with the guidelines for use of the Lodging Tax funds and will meet the criteria, with a primary focus of increasing overnight stays in White Salmon city limits and encouraging spending at our local businesses.

Describe the advertising method by name and location of service (if applicable):

n/a

Provide a budget for the project you are requesting funding for (see Excel Budget Spreadsheet).

You may use additional sheets of paper if necessary, to complete this application. You may also attach any additional information about your organization or project you think is relevant to this application.

I understand the Washington State Limitations placed on use of Lodging (Hotel/Motel) Tax funds and certify the requested funds will be use only for the purposes described in this application or as approved by the City Council. I understand use of the funds is subject to audit by the State of Washington and/or the City of White Salmon. I further understand that the printed and hard-copy verification of advertising publication is required for release of funds and there will be no advance payments. All recipients will be required to note on any advertising material the "tourism support provided by the City of White Salmon lodging tax funds" or the event will not be funded. All funds granted are to be used by the end of the City's fiscal year, which ends December 31, and there will be no carry over. I agree to perform the required evaluation after the event/project is over to determine actual room stays generated by this event/project as required by state law (RCW 67.28) prior to reimbursement of costs.

Name: Tammara Toppel

Title: Executive Director

Date: 11/5/2021

Signature:

WHITE SALMON TOURISM 2022	BUDGET	JAN	FEB	MARCH	APRIL	MAY	JUNE	JULY	AUGUST	SEPT	OCT	NOV	DEC
Website Hosting/Updates/Blog	\$4,200	\$350	\$350	\$350	\$350	\$350	\$350	\$350	\$350	\$350	\$350	\$350	\$350
Social Media	\$9,600	\$800	\$800	\$800	\$800	\$800	\$800	\$800	\$800	\$800	\$800	\$800	\$800
VIC/Administration	\$6,000	\$500	\$500	\$500	\$500	\$500	\$500	\$500	\$500	\$500	\$500	\$500	\$500
Illustrated Downtown Map & Distribution	\$7,500		\$2,000		\$2,000	\$1,500	\$2,000						
Advertising & Design Ads	\$12,700		\$6,000			\$3,350				\$3,350			
TOTAL	\$40,000												

Mt Adams Chamber
 of Commerce
 1 Heritage Plaza, POB 449
 White Salmon, WA 98672



Mt Adams Chamber of Commerce 2022 Annual Budget

November 7, 2021

City of White Salmon
Lodging Tax Advisory Committee

Dear Lodging Tax Advisory Committee,

The Mt. Adams Chamber of Commerce Board of Directors respectfully submits the 2022 Budget for the Mt. Adams Chamber of Commerce & Visitor Center operations, as approved by this board.

Income/Expenses	12/31/2022
	Budget
BEGINNING BALANCE	
Income:	
County Contract Visitor Center	16,000.00
WS LTAC funds	6,000.00
Event Income	2,000.00
Lodging Tax/County Support	32,000.00
Membership Dues	29,000.00
Sno Park Permits	40.00
Visitor Center Sales/Services	2,000.00
Total Income	87,040.00
Expenses:	
Bank Service Charges/Card Fees	500.00
Education & Training/Zoom	100.00
Insurance	2,620.00
Licenses/Fees	250.00
Marketing	1,000.00
Mileage expense	500.00
Office Expense/ Supplies	1,800.00
Office Printing Copier	900.00
Payroll Expense	61,000.00
Postage & Delivery	750.00
Professional Fees/CPA	3,300.00
Rents	4,600.00



Taxes (B & O, Property, Sales)	700.00
Telephone & Internet Host	1,650.00
Website Development/Maintenance	3,720.00
Total Expenses:	83,390.00
Ending Balance:	3,650.00

Submitted by Exec Director, Tammara Tippel

Tammara Tippel

Sincerely,

Dawn McSweyn

Dawn McSweyn
President

Ruth Shafer

Ruth Shafer
Board Member

Sharon Saltoon

Sharon Saltoon
Board Member

Kirsten Poole

Kirsten Poole
Board Member

Kip Miller

Kip Miller
Secretary

Jeff Meier
Board Member

JC Wiggins

Chris Wiggins
Board Member

Stephanie Laur
Board Member

Karalee Holtmann
Treasurer

Elizabeth Jones-Ferguson
Vice President

Dawn Carmichael

Dawn Carmichael
Board Member

TITLE	MACC - Signature REQUIRED
FILE NAME	2022 MACC Annual Budget.docx
DOCUMENT ID	b5211115fbee3e0caca03525c75f1e85a06c1e61
AUDIT TRAIL DATE FORMAT	MM / DD / YYYY
STATUS	<ul style="list-style-type: none"> ● Out For Signature

Document History



11 / 07 / 2021
18:32:48 UTC

Sent for signature to Dawn McSweyn (dawnmcsweyn@windermere.com), Kip Miller (kipmiller@yahoo.com), Ruth Shafer (rshafer@fvrl.org), Karalee Holtmann (karalee.holtmann@fib.com), Jeff Meier (acctntax1@gmail.com), Sharon Saltoon (sharon@wetplanetwhitewater.com), Stephanie Laur (stephanie@unioneventco.com), Chris Wiggins (c.wiggins@comcast.net), Elizabeth Jones-Ferguson (elizabeth@ivorytrunk.design), Kirsten Poole (kirsten@wagap.org), Dawn Carmichael (info@summitembroideryworks.com) and Tammara Toppel (mtadamschamber@gmail.com) from mtadamschamber@gmail.com
IP: 68.186.105.67



11 / 07 / 2021
18:33:08 UTC

Viewed by Tammara Toppel (mtadamschamber@gmail.com)
IP: 68.186.105.67



11 / 07 / 2021
18:34:14 UTC

Signed by Tammara Toppel (mtadamschamber@gmail.com)
IP: 68.186.105.67

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STATUS	● Out For Signature

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11 / 07 / 2021
18:38:06 UTC

kipmiller@yahoo.com was changed to kippmiller@yahoo.com after requester reassignment.
IP: 68.186.105.67



11 / 07 / 2021
18:41:13 UTC

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IP: 71.95.105.65



11 / 07 / 2021
18:41:58 UTC

Signed by Kip Miller (kippmiller@yahoo.com)
IP: 71.95.105.65



11 / 07 / 2021
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IP: 63.225.80.177



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IP: 63.225.80.177

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 VIEWED	11 / 08 / 2021 16:53:02 UTC	Viewed by Sharon Saltoon (sharon@wetplanetwhitewater.com) IP: 67.40.252.188
 SIGNED	11 / 08 / 2021 16:53:23 UTC	Signed by Sharon Saltoon (sharon@wetplanetwhitewater.com) IP: 67.40.252.188
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IP: 66.96.79.234



11 / 08 / 2021
17:30:41 UTC

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IP: 216.19.205.108



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19:03:10 UTC

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IP: 66.189.144.88



11 / 08 / 2021
19:06:28 UTC

Signed by Dawn Carmichael (info@summitembroideryworks.com)
IP: 66.189.144.88



11 / 08 / 2021
22:16:13 UTC

Signed by Kirsten Poole (kirsten@wagap.org)
IP: 68.177.132.242



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This document has not been fully executed by all signers.

Supplemental Information for the White Salmon Lodging Tax Application submitted by Mt Adams Chamber

1. What is the total cost of maintaining explorewhitesalmon.com?

What does the \$4,200 pay for specifically? | \$4,200/annually (\$350/month)

- Web Hosting
- URL fees
- Updating Listings
- Directing/responding to Contact Requests
- Updating Blog
- Existing Website (SEO Optimized - #2 after City of White Salmon – 35,389 page views annually – 83% Organic Search) connected to existing Instagram & FB accounts.

2. What does the \$9,600 specifically pay for related to social media?

Social Media | \$9600/annually (\$800/month)

- 5 posts/per week
- 2 videos per month
- Professional photography/video equipment
- Hard drive provided with images/video for business use
- Group chat w/ businesses to communicate on posting content, etc.

Which social media sites are being used? Facebook, Instagram, White Salmon YouTube Channel

3. What is the total cost for maintaining the visitor information center? \$82,000 Annually

What does the \$6,000 pay for specifically (or portion of)? Visitor Info Center – Staff Support | \$6,000/annually (\$500/month)

- Obtaining way-finding sign w/ DOT (fee on 2 lane highway is \$364 per business logo and sign cost is approximately \$500) *welcome to WA sign now at VIC from WADOT (people now stop there for photos) <https://wsdot.wa.gov/business/signs-programs/signage-costs>
- Dedicated Space for White Salmon Tourism in VIC and outside VIC
- Director attending WS Biz Association (WSBA) Meeting monthly
- Represent WSBA and report back from CGTA (Columbia Gorge Tourism Alliance) meetings
- Represent WSBA at Bi-State Recreational Advisory Group and report back
- Implementation & growth of WA Gorge Food Trail (includes White Salmon lodging/restaurants/brewery)
- % of Rent/Phone/Internet/Printer
- Staff (direct interaction/engagement with visitors to guide up the hill to WS businesses)
- Staff - event coordination (engaging community groups) –SpringFEST, 4th of July, Halloween (logistics/permits/arrange for staffing to block streets/coordinate volunteers, marketing), potential Art & Wine event, coordinated w/ WS Arts Council.
- Call out on homepage of mtadamschamber.com with WS logo and link to website
- Administration of Lodging Tax \$ including invoicing and media buys

4. Is the Chamber proposing on developing a new map of downtown or is there an existing map that will be redistributed? How will the map be distributed? We are working with illustrators to determine a format for a new map that will focus on the downtown section of WS. We will contract with Certified Distribution.

Print Map & Distribution | \$7,500

- Driving directions w/map to White Salmon (instead of pulling out large Klickitat Map) and Businesses listing and call-out on map. Design \$4,000 (anticipate less \$ for future years/updates)
- Certified Distribution Services (airports/hotels/visitor centers/welcome centers/brochure kiosks) \$2,000
- Printing 12,000 copies \$1500

5. What types and how many items will be provided for in advertising (print and online) for \$12,700?

Advertising (Print & Online) | \$12,700

- Year-round marketing and advertising promoting White Salmon as an overnight destination, to include four seasonal campaigns. The White Salmon Downtown Business Committee will approve the ad buys that are recommended. (Chamber Director is a member of this committee.)
- Explorewhitesalmon.com will be the official tourism website and social media platform for White Salmon Tourism.
- Explore White Salmon will promote overnight stays with 4 seasonal marketing campaigns through Explore White Salmon website and social media platforms.
- Explorewhitesalmon.com includes categories and listings for Stay, Dine, Shop, Things to Do, Events and Community.
- Explore White Salmon focuses on the local businesses, the art community, outdoor activities/recreation, festival/events promotion, points of interest, and parks.
- White Salmon Tourism will be the hub of marketing White Salmon as a destination.

Does this specifically target the City of White Salmon and/or the businesses located within the city limits of White Salmon? **Yes. White Salmon Tourism marketing program will only focus on businesses located in White Salmon with a focus on the downtown business section.**

6. Can you better explain the numbers and information contained in "Projected Tourism Benefits?" **This is the most challenging answer to provide, as we can only provide estimates to what we believe will happen with these marketing efforts. Room nights are tricky with our majority happening in STR's rather than traditional hotel settings where data is easier collected.**
- We anticipate 15,000 new users of the Explore White Salmon website as the Expected Number of Participants with the desired outcome that at least 25% or 3750 of these actually visit the destination.
 - Expected # of out of town Visitors: 3000
 - Expected # of room nights generated: 1000
7. Did you apply to Klickitat County for funding? If so, how much? **Klickitat County has not yet opened their application process for 2022. We anticipate asking for \$32,000 from Lodging Tax funds for 2022. (We received \$43,000 in 2021 for Visitor Center Support.)**
8. Of the "Membership Dues", how much comes from businesses/entities located within the city limits of White Salmon? **Currently 74 chamber members list White Salmon as their location and pay \$10,870 in dues. 56 are inside city limits and pay \$8,980 in dues. 37 are in the downtown specific area and they pay \$5,020 in dues. (8980 and 5020 are included in the full \$10,870)**

White Salmon Lodging Tax Application 2021 | \$40,000

- Website: explorewhitesalmon.com \$4200
- Social Media: \$9600
- Visitor Info Center: \$6,000
- Print Map of Downtown & Distribution: \$7,500
- Advertising (print & online): \$12,700



City of White Salmon Office of City Hall

Lodging Tax Grant Program 2022 GRANT PROGRAM GUIDELINES

Goal

To invest in facilities, events and activities that increase overnight and day-visitors to the City of White Salmon and result in increased tourism-related revenues.

Background

RCW 67.28.180 allows municipalities to impose up to a 4% lodging tax on stays of less than 30 days at hotels, motels, bed & breakfasts, campgrounds and RV Parks. This also includes short-term rentals. The City of White Salmon has implemented the first 2% portion of the authorized 4% lodging tax.

State Requirements

Authorized uses for lodging taxes are:

- Tourism marketing including operation of a destination marketing organization (DMO)
- Marketing and operation of special events and festival designed to attract tourists
- Operations and capital expenditures of tourism-related facilities owned or operated by a municipality or by a public facilities district
- Operations of tourism-related facilities owned or operated by non-profit organizations

Program requirements include:

- Organizations eligible to receive funds are municipalities, destination marketing organizations, or non-profit organizations (which include main street organizations, lodging associations and chamber of commerce).
- All applicants, including municipalities, must follow the same applicant process.

City Grant Guidelines

- Organizations may submit more than one application each year but there must be a separate application form for each project/activity.
- Matching funds are not required but are encouraged as a sign of community support and organization commitment.
- Grants must be for a minimum of \$2,500.
- Special events/festivals, capital projects or facilities requesting operating funds must be located inside the City limits.
- Special events/festivals:
 - Must be sponsored by a non-profit or the City
 - Grants funds can be used for operational expenses, including marketing and promotion with the exception of salaries and/or benefits for event organizers

- or other key staff, insurance and travel. Funds may be used for security staff, traffic control, etc.;
- Funds are available beginning in February of each year and must be spent within the calendar year.
- For existing special events – in operation for more than three years – proposals must be for expansion or enhancement for the event and those expansions and/or enhancements must be clearly defined and measurable.
- All advertising must acknowledge the City of White Salmon as sponsor.

Criteria for Grant Awards

Priority will be given to lodging tax grant proposals that:

- Demonstrate potential to result in overnight stays by tourists in lodging facilities within the City of White Salmon or to attract day visitors from outside Klickitat County.
- Provide, maintain, operate or enhance City-owned tourist related facilities or infrastructure.
- Promote the City of White Salmon and/or events, activities and places in the city to potential tourists from outside the region.
- Have a demonstrated potential to result in economic benefit to White Salmon. Successful proposals will show specific strategies to draw visitors.
- Provide funds from sources other than lodging tax funding.
- Are sponsored by an organization that has a successful track record with similar projects or events.

Applicants will be invited to give a five (5) minute presentation on their proposal to the Lodging Tax Advisory Committee, who makes grant funding recommendations to the City Council.

Reporting

All lodging tax fund recipients must submit a report to the City describing the results of the project program or event. For events/festivals, report must be submitted within 90-days after the event. For all other project or facilities, the report is submitted annual, due by January 31st of the year following the funding year. Per state requirements, the report must include the following information:

- The number of people attending the event or visiting the facility;
- The number of people attending the event or visiting the facility who stayed overnight in paid accommodations;
- For day visitors, the number of people attending the event or visiting the facility who came fifty (50) miles or more, one-way, from their residence or business; or
- The number of people attending the event or visiting the facility who came from another country or state outside of their place of residence or business;
- An explanation of how attendance figures were calculated.

Contracting Requirements

Organizations receiving lodging tax funds, with the exception of the City itself, are required to enter into an agreement with the City of White Salmon.

- Funding is provided on a reimbursable basis and copies of receipts must be included with the reimbursement request. Expenses that are not in accordance with the approved scope of work and agreement will not be eligible for reimbursement.
- Reimbursements will be made within approximately 30-days of submittal of request and receipts.
- Costs incurred prior to the grants being approved by the City Council and the execution of the agreement are not eligible for reimbursement.
- The applicant must have liability insurance, in an amount commensurate with the risk exposure of the project, and which names the City of White Salmon as an additional insured.
- Funds awarded for year-round operations of a program or facility will be dispersed quarterly.

Timeline

October 12	Lodging tax grant applications are available
November 8	Lodging tax grant applications are due
November 18	Lodging Tax Advisory Committee review of applications
December 1	City Council approval of grants
February	Funding is available

Definitions

“Capital Improvements” can include wayfinding and other signage, restrooms, and transportation options.

“Municipality” means any county, city or town in the state of Washington.

“Special event/festival operations” can include any expenses associated with the operation of the event or festival with the exception of staffing expenses (salaries, benefits, travel, etc.) or insurance.

“Tourist” is defined by RCW 67.28 as people who travel more than 50 miles, one way, from their place of residence or business for the day or who stay overnight in paid accommodations.

“Tourism” means economic activity resulting from people visiting the community and includes sales of overnight lodging, meals, tours, gifts or souvenirs.

“Tourism Marketing/Promotion” means activities, operations and expenditures designed to increase tourism, including but not limited to advertising, publicizing or otherwise distributing information for the purpose of attracting and welcoming tourists; developing

strategies to expand tourism; operating tourism promotion agencies and funding the marketing of or operation of special events and festival designed to attract tourists.

“Tourism-Related Facility” is real or tangible personal property with a usable life of three or more years that is 1) owned by a public entity or non-profit organization including a non-profit business organization, DMO, main street organization, lodging association or chamber of commerce; and 2) is used to support tourism or performing arts or to accommodate tourist activities.