CITY COUNCIL WORK SESSION AGENDA
Monday, November 2, 2026 - 4:00 PM
Council Chambers - 169 SW Coast Highway, Newport, Oregon 97365

All public meetings of the City of Newport will be held in the City Council Chambers of the Newport City Hall, 169 SW Coast Highway, Newport. The meeting location is accessible to persons with disabilities. A request for an interpreter, or for other accommodations, should be made at least 48 hours in advance of the meeting to the City Recorder at 541.574.0613, or cityrecorder@newportoregon.gov.

All meetings are live-streamed at https://newportoregon.gov, and broadcast on Charter Channel 190. Anyone wishing to provide written public comment should send the comment to publiccomment@newportoregon.gov. Public comment must be received four hours prior to a scheduled meeting. For example, if a meeting is to be held at 3:00 P.M., the deadline to submit written comment is 11:00 A.M. If a meeting is scheduled to occur before noon, the written comment must be submitted by 5:00 P.M. the previous day. To provide virtual public comment during a city meeting, a request must be made to the meeting staff at least 24 hours prior to the start of the meeting. This provision applies only to public comment and presenters outside the area and/or unable to physically attend an in person meeting.

The agenda may be amended during the meeting to add or delete items, change the order of agenda items, or discuss any other business deemed necessary at the time of the meeting.

1. Call to Order and Roll Call

2. Discussion Items

2.A Upcoming Work Session Items
Work Sessions 2026 .pdf

2.B Short-Term Rentals Program Overview & Discussion
PowerPoint - Short-Term Rental Program Overview.pdf

3. Adjournment

4:45PM Executive Session
Executive Session Pursuant to ORS 192.660(2)(h) â€“ To consult with counsel concerning the legal rights and duties of a public body with regard to current litigation or litigation likely to be

filed.

Work Sessions

November 2

- Short-term Rentals Program Discussion

November 16

- Discover Newport Update
- Environmental Workgroup Discussion

December 7

- 7-year Financial Strategy Update
- 10-year Capital Improvement Update

January

- Sustainable Destination Management Plan Next Steps
- Beautification Program Update
- Records Management Update

Short-Term Rental Licensing Program



Program Overview

City Council Work Session
November 2, 2026

Prepared by the Community Development Department

Presentation Overview

1. History: How We Got Here
2. Program Framework
3. Roles of City Departments
4. Current Status of Licenses
5. Geographic Distribution
6. Enforcement Discussion
7. Upcoming Improvements
8. Council Discussion

History: How We Got Here

Before 2012

Weekly rentals

Allowed in all residential zones, 10 times a year

2012

License standards

Clear and objective standards, approved over the counter

2019

Overlay zone

Annual license; rentals limited to the overlay. Cap of up to 200 (set by Council resolution)

2023

Cap fixed at 176

Cap set in the code. Waiting list process added

Program Purpose

Safety and Convenience

For renters, owners, and neighboring property owners

Neighborhood Character

Protect the character of residential neighborhoods

Housing Supply

Protect the City's supply of needed housing

Reduce Impacts

Address noise, overcrowding, illegal parking, and nuisances

Balance: limit rentals within neighborhoods for compatibility, while recognizing the benefits for recreation, employment, and transitional housing

What Counts as a Short-Term Rental

A dwelling unit, or portion of one, rented to any person for fewer than 30 consecutive nights

Vacation Rental

The entire dwelling unit is rented

Home Share

A portion of the home is rented while the owner stays overnight

Bed and Breakfast

The operator lives on site and meals are provided for a fee

Regulatory Framework

NMC Chapter 4.25

Business License Endorsement

- Annual endorsement, July 1 term
- Fire and structural safety checklists
- Operating rules and inspections
- Violations and graduated penalties

NMC Chapter 14.25

Land Use Regulations

- Where rentals are allowed (VROZ)
- Cap on vacation rentals
- Spacing, occupancy, and parking
- Nonconforming rental provisions

Where Rentals Are Allowed

Home Shares and B&Bs

Allowed in all residential and commercial zones

Vacation Rentals

New vacation rentals allowed only inside the Vacation Rental Overlay Zone (VROZ)

176

vacation rental cap inside the VROZ

161 licensed; 15 available

32

nonconforming units currently licensed outside the VROZ

Phased out on sale or transfer

Land Use Approval Standards

Occupancy

2 + 2

Persons per bedroom, plus 2 per property

Bedroom Limit

5

Maximum, vacation rentals and B&Bs

Home Share Limit

2

Maximum bedrooms for guests

Parking

1 space

Off-street space per bedroom

Landscaping

50% / 40%

Of front yard / total lot, residential zones only

Spacing

1 building

Per street segment

Nonconforming Rentals

Commercial or water related

Inside the VROZ, in or adjacent to those zones

- Count toward the cap
- Not subject to density limit
- Transfer without waiting list

Other VROZ rentals

Inside the VROZ, all other locations

- Count toward the cap
- New owner goes on the waiting list when the property transfers

Outside the VROZ

Vacation rentals licensed outside the overlay

- 32 currently licensed
- Use ends on sale or transfer

Owners may seek relief if regulations reduce property value (ORS 195.310 to 195.314)

How the Licensing Process Works

1	**Land Use Approval**	Compatibility statement from Community Development, current within 90 days
2	**Application**	Owner and contact information, insurance, parking proof, and fee
3	**Safety Verification**	Fire Marshal verification and Building Official structural checklist
4	**Endorsement Issued**	12 month term, effective July 1 each year
5	**Annual Renewal**	Notice mailed about July 1, renew by August 15

Renewal Process and How It Differs

	Initial License	Renewal
Timing	Apply before operating, at any time of year	Notice mailed about July 1; renew by August 15 or it expires
Insurance	Letter of intent to insure	Certificate of insurance
Safety checks	Fire Marshal verification and Building Official inspection	Fire checklist each year; inspections at City Manager's discretion
Proof of use	Not required	30 rented days per room tax records (vacation rentals)
Listings	Not required	Listing numbers or website addresses

Both: land use compatibility statement, parking proof, and fee

Key License Requirements

To Obtain a License

- $1,000,000 liability insurance
- Local contact within 30 minutes
- Fire and structural safety checklists
- Parking photos and site plan
- Proof of residency (home shares and B&Bs)

Ongoing Operations

- Respond to complaints within one hour
- Keep a guest and vehicle registry
- Post the endorsement and emergency information
- Stay current on room tax
- Show 30 rental days a year to renew (vacation rentals)

Waiting List and Transfers

Waiting List

- Owners join on request
- Offered in order of date requested
- Available licenses offered once a year
- 60 days to apply once notified
- There are currently 90 properties on the waiting list

Transfers

- Only rentals inside the VROZ count toward the cap
- Transferable if in or adjacent to a commercial or water related zone
- Other VROZ rentals: new owner goes on the waiting list on transfer
- Rentals outside the VROZ end on transfer
- Family and trust changes are not considered a transfer

Roles of City Departments

Community Development

Reviews new applications and renewals for land use compatibility

Building Division

Structural safety checklist and inspections

Fire Marshal

Fire safety verification

Finance

Business licenses and room tax collection

Police Department

Complaints, violations, and civil infractions

Current Status of STR Licenses

205
active endorsements

193
vacation rentals

7
home shares

5
bed and breakfasts

Vacation rentals inside the VROZ

161 of 176



15 available for the waitlist or applications in process

Nonconforming vacation rentals

45 to 32

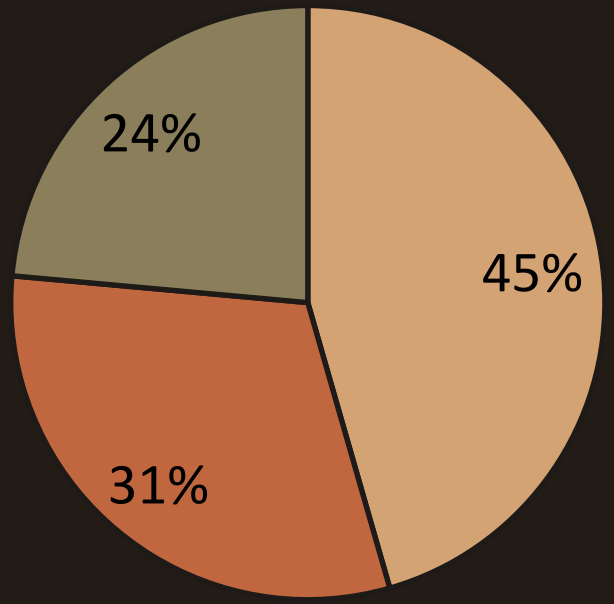
29% reduction

from 45 licensed when the 2019 rules took effect

Geographic Distribution of Rentals



Vacation rentals by zone type



Commercial
C-1, C-2, W-2

High density residential
R-3, R-4

Low density residential
R-1, R-2

Most rentals are in commercial or high-density areas

Enforcement Discussion

Violations

- Advertising or operating without a license
- Not meeting license standards
- Unpaid transient room tax
- No response to complaints (3 attempts in 48 hours)
- Civil infractions (NMC 2.15)

Graduated penalties in 12 months

1st	Written warning
2nd	30 day suspension
3rd	Revocation

Revoked owners wait 2 years to reapply

Advertising equals use: no advertising without an endorsement

Funding: code enforcement position funded by STR endorsement fees

Upcoming Improvements

Automate Renewals and Room Tax

- Automate annual endorsement renewal
- Automate room tax collection
- Room tax records already support proof of use at renewal

Enforcement Vendor RFP

- RFP for a new enforcement vendor
- 24/7 hotline (new vendor takes over)
- Online complaint form
- Scan platforms for non-compliant or unlicensed listings

Vendor transitions: product changed with each ownership change and no longer meets City needs

LodgingRevs (original) → **GovOS (Aug 2021)** → **Neumo (Aug 2025)**

Council Discussion



Questions about program?



Feedback on proposed improvements?



Follow-up Information?