

Owner thought she was not in violation of rule

Rental from Page 1A

Cities on the Oregon Coast have struggled to rein in property owners who have taken advantage of the explosion in the vacation rental market but do not follow regulations or pay lodging taxes. Some property owners openly advertise homes on websites like Airbnb and VRBO, but enforcement can be more challenging when owners are less obvious about their rentals or claim to be unaware of licensing and tax responsibilities.

According to a court filing, Petersen believed she was not violating Manzanita's vacation rental ordinance because she only allowed family, friends and current and former trustees to stay at the \$395,000 property. The trust arranged reservations through a website and took guest donations of about \$50 to \$65 a night for upkeep, supplies and repairs, not for a profit.

"It was my belief that the use of the property by our extended family members did not constitute an event that generated either registration or a tax," Petersen said in a court filing.

But Manzanita put Petersen on notice as far back as 2009 that the home appeared to be a vacation rental.

"Your home must be registered as a short-term rental in order for you to legally accept money for the use of the house, even if you merely intend to use the money towards taxes and maintenance on the house," a letter from the city stated.

Kevin O'Connell, a Portland attorney representing Petersen in federal court, said Petersen explained to the city at the time that the home was only used by family. He said she did not hear from the city

again until the fines arrived last October.

While the penalty was staggering, Manzanita has shown a willingness to negotiate with property owners. The city settled a similar case this year with a homeowner facing \$3.7 million in fines for just under \$53,000.

Christian Zupancic, a Seaside attorney for Petersen, reached an agreement with the city in February that would have required Petersen to register her home as a vacation rental, pay \$7,500 and city attorney fees, and operate under a two-year probation.

But Manzanita learned of another alleged violation on Edmund Lane in April, and moved to throw out the settlement and pursue the hefty fines in the city's Municipal Court. O'Connell said that, unbeknownst to Petersen, a friend and family member reserved the property but let a friend stay at the \$65 donation rate.

"She is and was clearly aware of the city ordinances and knew compliance was a par to the settlement regardless of whether she knew what the final dollar amount would be," Manzanita City Prosecutor Stacy Rodriguez said in a court filing.

A trial is set for August in Municipal Court, but Petersen's attorneys are asking for a delay pending a ruling by the federal court in Portland. The Eighth Amendment — mirrored in Article I, Section 16 of the Oregon Constitution — is a check on the government's power to impose excessive fines that are out of proportion to the offense.

"Compared to the alleged violation, we feel it's grossly disproportionate," Zupancic said. "Even if she did supposedly do it, is \$1.8 million a fair penalty?"

Hotelier, native declares run for City Council

Swedenborg joins fray for seat

By Brenna Visser
Cannon Beach Gazette



Greg Swedenborg

Greg Swedenborg, a hotelier and president of the Cannon Beach Chamber of Commerce board, has announced his intention to run for City Council.

A Cannon Beach native and co-owner of The Waves Oceanfront Lodging, Swedenborg decided to run after feeling the business community and working families needed a stronger voice.

"I care about the people and businesses in this city, and I think I could add to the discussion," Swedenborg said.

Swedenborg will join Robin Risley and incumbent Mike

Benfield in vying for two council seats in the November election.

If elected, Swedenborg would focus on promoting sustainable tourism, affordable housing and addressing parking issues. He advocates for more private and public cooperation to address the affordable housing shortage, like supporting tax rebates, providing land at a lower cost to those intending to build affordable homes or other solutions that don't involve the city being a landlord.

"I can draw on feedback from a staff of employees who haven't necessarily felt represented in the topic of affordable housing, as it keeps going

on for years without any action," Swedenborg said.

He would also make parking and overcrowding issues a priority. Swedenborg has long been an advocate for instituting a food and beverage tax and installing paid parking mechanisms in city-owned parking lots to generate more revenue for the city.

"The current council has a lot of projects and good ideas," Swedenborg said, "but there's no funding to address these issues. I don't know what the answer is, but you can't do anything without money."

While a majority of the city's budget is supported by lodging tax revenue, these measures would be a way to offset costs incurred from people who take day trips to Cannon Beach and put pressure on city services, Swedenborg said.

"I want to keep Cannon Beach a sleepy and small town, but the fact we're the closest beach town sitting next to Portland, which has doubled in size in the last 10 years, is not going to change," Swedenborg said. "To be able to address the volume of people that come here, we need to make steps to manage that future but also respect the (town's) past."

Before taking over operations at The Waves, Swedenborg worked in Los Angeles, California, and Bend in technology sales and management with Hewlett-Packard. Swedenborg believes he will draw from his experiences collaborating with a large staff of employees and budget management in both the tech and hospitality sectors to problem solve on the City Council.

Benfield seeks re-election in Cannon Beach

By Brenna Visser
Cannon Beach Gazette

Mike Benfield intends to run again for his seat on the Cannon Beach City Council.

His decision to seek re-election, Benfield said, is driven by a desire to address "unfinished business" left from his first term.

"I think we're starting to get more focus on the key issues like affordable housing — which we haven't done nearly enough about — and emergency preparedness," he said.

Benfield served four years on the Planning Commission before being appointed to the council in 2013. He was elected in 2014, largely on a platform to push for more affordable housing.

If re-elected, Benfield said developing more long-term housing would remain a priority.

"We have no place to rent unless you're a tourist," he said. "We either need to quit talking about it or get it done."

Another priority for Benfield is to steer lodging tax

dollars away from supporting tourism promotion and more toward improving tourism-related facilities. He advocates investing more in public art, more events and concerts or using the money to develop an event center at the old Cannon Beach Elementary School site.

"I want transient room tax dollars to focus less on promotion, but more on bettering the experience once we get them here," he said.

Benfield would also want

to work with the council to clarify the purpose and vision of the Tourism and Arts Fund. In an unusual move, Benfield was one of three on the council to vote against giving a grant to a trail project recommended by the Tourism and Arts Commission, arguing it did not fit program's guidelines.

"This coming year I think we need to give better guidelines to the commission," he said.

Overall, Benfield said he

is running because of his passion to preserve the beauty and uniqueness of Cannon Beach.

"I want to make this a fantastic place to visit, but also a fantastic place to live," he said.

There are three council positions on the ballot in November, including Mayor Sam Steidel's seat. Real estate agent and longtime resident Robin Risley plans to vie for City Councilor George Vetter's seat. Vetter has announced he will not seek re-election.



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MUNICIPAL MEMO

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FOR YOUR INFORMATION
MAYOR: Sam Steidel
COUNCILORS: Mike Benfield,
Nancy McCarthy, Brandon
Ogilvie and George Vetter
CITY MANAGER: Bruce St. Denis

MEETINGS AUGUST 2018

7	City Council Regular Meeting	7:00 p.m.
14	City Council Work Session	5:30 p.m.
16	Design Review Board	6:00 p.m.
23	Planning Commission	6:00 p.m.

CITY COUNCIL REGULAR MEETING, July 3, 2018

- Adopted Proclamation 18-06; designating the Red-Wing Blackbird as the official bird of the City of Cannon Beach;
- Adopted Proclamation 18-07; declaring August 7, 2018 as National Night Out Day in the City of Cannon Beach;
- Appointed Mike Morgan to the Tourism & Arts Commission for a four-year term;
- Modified, then approved grant amounts for the FY 2018-19 Tourism & Arts Fund;
- Approved the Professional Services Agreement with the law firm, Beery Elsner & Hammond, LLP for legal services as our City Attorney.

- Members of the Design Review Board met with the Council to discuss goals;
- Parks & Community Services presented their recommendations for the FY 2018-19 Community Grants;
- Council discussed short term rental ideas with the City Planner;
- The City Manager described the Council's role in assisting in the prioritizing of the League of Oregon Cities' Legislative Agenda.

DESIGN REVIEW BOARD - The Design Review Board's July 19 meeting was cancelled. The Design Review Board is scheduled to meet August 16th.

CITY COUNCIL WORK SESSION, July 10, 2018

- Michael McNickle, Clatsop County Public Health Director discussed a proposed county ordinance regarding tobacco;
- Rachelle Hannon, Pacific Power, presented an update to the Council;

PLANNING COMMISSION - The Planning Commission met July 5th in a work session to discuss the foredune management plan with Dr. Allan of DOGAMI (Oregon Department of Geology & Mineral Industries.) The Planning Commission is scheduled to meet June 28th at 6:00pm.

Of Interest...

FY 2018-19 Tourism & Arts Fund Grant Awards

Requestor	Event	Amount Awarded
CB Arts Association	Artist Program	\$ 24,051
CB Arts Association	2019 Music Festival	\$ 10,554
CB Chamber of Commerce	Culinary Festival	\$ 23,143
CB Chamber of Commerce	Event Videos	\$ 16,500
CB Chamber of Commerce	Fat Bike Festival	\$ 16,804
CB Chamber of Commerce	North Coast Partnership	\$ 16,714
CB Gallery Group	Spring Unveiling / Earth 2 Ocean Festival / Stormy Weather Arts Festival	\$56,750
CB History Center & Museum	2019 Cottage Tour	\$ 25,929
Clatsop Animal Assistance	Savor Cannon Beach	\$ 44,419
Coaster Theatre	Late 2018 / Early 2019 Seasons	\$ 36,457
Halo Education Consultants	Rockdance Ecofest	\$ 0
Northwest Trail Alliance	Kloutchy Creek Trail System	\$ 0
Tolovana Arts Colony	Get Lit at the Beach	\$ 29,143
Total		\$300,464
Total Budgeted Funds:	\$384,655	
Total Awarded by Council:	\$300,464	
Total left in Reserve:	\$ 84,192	

Of Interest...

Haystack Rock Awareness Program Beach Volunteers Wanted!

Do you enjoy being outside and sharing your love of Haystack Rock? No experience necessary - we train! Families welcome. Please contact: Lisa Habecker, Education & Volunteer Coordinator 503.436.8064, habecker@ci.cannon-beach.or.us

Attention: Candidates filing for the offices of City of Cannon Beach Mayor or City Councilor

If you are interested in running for the positions of Cannon Beach Mayor or City Councilor you are encouraged to contact the City Elections Official (Colleen Riggs, riggs@ci.cannon-beach.or.us or 503.436.8052) for information.

The position of Mayor and two Council positions are on the November 6th general election ballot. All incumbents are eligible to run for a second term, but Councilor George Vetter has already announced he will not be running.

Requirements
Any resident of the City of Cannon Beach who is registered to vote in Cannon Beach, Clatsop County may file to become a candidate for City Council, provided they have lived here at least one year prior to the election.

Terms/Conditions of Office
The Mayor and City Councilors are elected for a four-year term (unless completing a partial term) which begins with the first meeting in January following the election. You will be expected to attend City Council meetings, which typically occur twice monthly. Members of the Council may serve a maximum of two four-year continuous terms.

How to File
Please make an appointment with the City Elections Official (Colleen Riggs) to review the process.

The City Elections Official will confirm your eligibility (active, registered voter) with the County Elections Office prior to reviewing the process with you.

The City of Cannon Beach follows the state guidelines and the City Elections Official will give you the forms and review the process with you.

- Step 1: File Prospective Petition**
- Step 2: Collect Signatures**
- Step 3: Submit Signature Sheets**

Campaign Finance Reporting Requirements

All campaign finance reporting is handled at the Oregon Secretary of State Elections Division. If you have questions regarding Campaign Finance, please contact the Oregon Secretary of State Elections Division at 503-986-1518 or www.oregonvotes.org

Statement of Economic Interest/State Reporting Requirements

All persons holding office in the City of Cannon Beach are required to file a Statement of Economic Interest with the Oregon Government Ethics Commission. The annual reports must be filed electronically by April 15th every year of the incumbency of the elected official. Information will be requested concerning sources of income, property, business interests and gifts related to the office. Civil penalties may be imposed for failure to file, or for insufficient information. For additional information or sample forms, information can be found on the Oregon Government Ethics Commission website - www.oregon.gov/OGEC or by contacting the Commission at (503) 378-5105.

Voter's Pamphlet

Candidates are to file directly with the County Elections Official with the filing candidate statement and required fee.

Important Dates

- May 30, 2018** - First day for local (city) candidate to file declaration of candidacy (SEL 101) and candidate signature sheet (SEL 121) with City Elections Official for offices filled at general election.
- August 17, 2018** - Recommended date for candidates to submit their petition signature sheets (SEL 121) to the City Elections Official BEFORE the actual candidate filing deadline of August 28th, in order to allow sufficient time for County Elections Office to verify the signatures, their eligibility to vote here, and also to allow time for candidates to obtain more signatures if needed. The City of Cannon Beach Charter sets the requirement of 50 signatures.
- August 28, 2018** - Last day for local (city) candidate to file declaration of candidacy (SEL 101) and candidate signature sheets (SEL 121) with City Elections Official for offices filled at general election.
- August 31, 2018** - Last day for city candidates to file withdrawal of candidacy. (SEL 150)
- September 6, 2016** - Last day for City Elections Officers to file with County Clerk statement of candidates and measures for placement on the ballot.
- September 10, 2018** - Last day for local candidate who files candidacy with County Clerk to file candidate statement for County Voters' Pamphlet with County Clerk's office. (\$25.00 fee)
- September 14, 2018** - Materials submitted (candidate statements and measure arguments) for County Voters' Pamphlet become public record and available for public inspection.
- November 6, 2018** - Election Day!
You may also visit the County website for information and forms www.co.clatsop.or.us, under Services select Clerk/Elections.