

WDCA19-0008: Short-Term Rentals



Photo: August 26, 2019 STR Workshop

Discussion

- Background & context
- Overview of public engagement
- Staff recommendations
- Next steps



What is a Short-Term Rental?

Short-term rentals (STRs) are:

- A type of temporary lodging operated out of private residences (ex. single-family homes/condos)
- Commonly available through property management companies and online booking services
- Also referred to as vacation rentals
- Booked for fewer than 28 days



Board Direction in Feb. 2019

Starting point:

- STRs exist in unincorporated Washoe County
- Room tax being collected (WC receives 1/13th or average ~\$125k annually; not part of project scope)
- No STR-specific County standards exist
- Hearing more from community about impacts

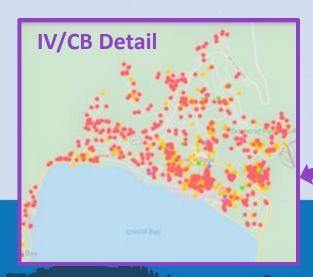
Board direction:

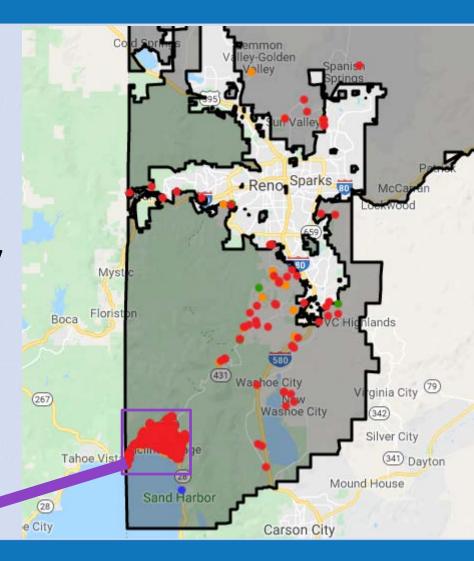
- Short-term rental use allowed; do not ban
- County-wide ordinance
- Establish standards and permitting process



Project Baseline

- 500-1000+ STRs in unincorporated Washoe County
- Varies greatly by season
- Majority in Incline Village/ Crystal Bay (est. >90%)





- Complex, controversial issue
- MANY perspectives exist
- Consensus unlikely; compromise is necessary
- Learn from other jurisdictions
- Identify STR impacts and if/how to address
- Standards likely to evolve over time
- Enforcement of standards is critical
- Privileged use

Adopt simple, fair and enforceable regulations for short-term rentals that balance competing interests and maximize voluntary compliance.

Public Engagement: Process

- July 2019: small-group stakeholder input sessions and initial agency outreach
- Aug. 2019: three public workshops; 250-300+ attendees
- Aug. Sept. 2019: online public survey; 569 respondents (~70% neighbor; ~20% STR)
- Numerous other meetings held and comment letters received
- 21-day public comment period on draft code

- Top areas of concern: occupancy limits, permitting process, noise and parking
- General support to regulate STRs: drastic variation in how much to regulate
- Desire for separate IV/CB standards
- Standards should be enforced
- Perception that STRs are a commercial use
- Existing rules are sufficient and better renter education will reduce conflict

- Use is residential; does not change whether tenancy is long-term or short-term
- Impacts are a matter of thresholds for # occupants
 - Lower #: similar impacts as long-term residential
 - Higher #: mitigation may be required

Tiered Permitting System

- **Tier 1:** 10 occupants or fewer; standard STR permit
- Tier 2: 11-20 occupants; discretionary permit
- Tier 3: 21 or more occupants; only in areas where hotels/motels allowed; commercial standards apply

STR Permit: Similar to privileged license

 Revoke without Board action; renew annually; no guarantee of renewal

Safety and Inspections

- Safety minimums must be met: defensible space, smoke/CO detectors, extinguishers, egress, wellmaintained fireplaces/outlets/hot tubs/deck railings, etc.
- Annual inspections: by building inspectors and fire staff (no duplication of services); helps to ensure vetted sleeping areas
- Must be passed prior to STR permit issuance

Sidebar: Host Compliance Services

24/7 complaint hotline and address identification

General Standards

- Local agent able to respond 24/7 in 30 minutes
- 1 STR per parcel; only rent to 1 group at a time
- Ads prohibited unless STR permit issued
- Ads must include specific permit information
- No parties/events
- External display of STR permit #, occ. limit, complaint #
- Min. STR liability insurance; educational material

Proposed Code: Highlights (4)

Occupancy Limits

- Based on IPMC, IBC and square footage
 - Bedroom with 1 occupant: min. 70 sq. ft.(ex. 10' x 7')
 - Bedroom with 2+ occupants: min. 100 sq. ft. (ex. 10' x 10'), plus 50 sq. ft. per additional occupant
 - Other sleeping areas: min. 200 sq. ft. per occupant
- May be further limited by parking or self-limitation

Proposed Code: Highlights (5)

Noise

- Quiet hours: 10 p.m. 7 a.m.
- Decibel-monitoring devices for problem STRs

Parking

- No STR parking on-street; must be developed onsite (including to TRPA standards, if applicable)
- One parking space for every 4 proposed occupants

Trash

- Meet trash standards already in place
- Bear-prone areas: wildlife-resistant carts or bear shed

Permit Fees

- Cost-neutral approach: set fees to cover running/ enforcement of program
- Re-assess after 12-18 months
- Fee recommendations will be released early 2020

Proposed Code: Highlights (7)

Enforcement, Fines and Penalties

- Three-pronged enforcement approach:
 - Proactively pursue licensing compliance using Host Compliance
 - Inspections at permit issuance and annually
 - 24/7 complaint hotline
- Fines on scaled system; higher than current fines
- Three violations in 12 months = revocation and 1-yr cooling off period

Findings (1 required to be made for approval)

- Consistency with Master Plan
- Promotes purpose of Development Code
- Response to Changed Conditions
- No adverse effects

Recommendations

- Recommend approval of proposed changes
- Remove reference to business impact statement (Exhibit A-1, Pg. 2)
- Authorize Chair to sign resolution

Recommended Motion

I move that, after giving reasoned consideration to the information contained in the staff report and received during the public hearing, the Washoe County Planning Commission recommend approval of WDCA19-0008, to amend Washoe County Code Chapter 110 (Development Code) within Articles 302, 304, 306, and 410, and with new Articles 319 and 809 created as identified in Exhibit A and with the additional changes discussed this evening. I further move to authorize the Chair to sign the resolution contained in Exhibit A on behalf of the PC and to direct staff to present a report of this Commission's recommendation to the Board of County Commissioners within 60 days of today's date. This recommendation for approval is based on all four findings within Washoe County Code Section 110.818.15(e).

- January 7: Planning Commission hearing
- February/March (tentative): County Commission hearings & adoption
- Grace period & outreach
- Program launch
- Updates posted to <u>www.washoecounty.us/str</u>

Planning & Building Division

- Kelly Mullin, Senior Planner
- Mojra Hauenstein, Director
- Trevor Lloyd, Planning Manager
- Chad Giesinger, Planning Manager
- Dan Holly, Plans Examiner Supervisor

North Lake Tahoe Fire Protection District

- Ryan Sommers, Chief
- Jennifer Donohue, Interim Fire Marshal

Truckee Meadows Fire Protection District

Charles Moore, Chief

District Attorney's Office

Nathan Edwards, DDA

Washoe County Sheriff's Office

- Chief Deputy Greg Herrera
- Mary-Sarah Kinner, Govt. Affairs Liaison

Washoe County Health District

James English, EHS Supervisor

Reno-Sparks Convention & Visitors Authority



ADDITIONAL INFO

STRs may add value to a community by:

- Offering alternative housing opportunities for seasonal employees
- Supplementing limited lodging options, especially in Incline Village/Crystal Bay
- Providing economic benefits to local businesses
- Generating additional room tax monies for local & regional entities
- Additional income for homeowners

Common concerns about STRs include:

- Quality of life impacts to the surrounding neighborhood (ex. noise, parking, trash)
- Safety concerns for renters and neighbors (ex. fire safety, structural safety, etc.)
- Reduction in availability of long-term housing options for local residents
- Potential conflict with area CC&Rs