

## SHORT-TERM RENTALS (STRs) IN WASHOE COUNTY: AN OVERVIEW

### 2/1/21- Update

### **ANALYSIS OF SPECIFIC REQUESTS FROM COMMUNITY MEMBERS**

### A. Can the Ordinance be for Incline Village and Crystal Bay only or have different standards than the rest of unincorporated Washoe County?

Since Incline Village and Crystal Bay are in the Tahoe Basin under the authority of the TRPA, the ordinance can legally apply different STR protections that apply to Incline Village and Crystal Bay only that are different from the rest of Washoe County's unincorporated areas, provided there is a reasonable basis for the distinction.

<u>Current draft ordinance</u>: Applies to ALL of unincorporated Washoe County, including valley and basin.

<u>Consideration</u>: The current draft ordinance includes certain regulations that may only apply to the Incline/Crystal Bay areas (e.g. parking and trash). Impacts such as noise, traffic, trash and quality of life factors in Incline and Crystal Bay also occur in other neighborhoods throughout Washoe County. Additionally, a transient occupancy tax (TOT) is being charged/has been charged to all STR's in the County. Therefore, the ordinance should be county wide to ensure that all STR's are equally regulated.

B. Can Occupancy limits be based on 2 persons per bedroom, plus an additional 2 persons? For example: a 2-bedroom unit would allow a maximum of 6 occupants.

### Current draft ordinance: Section 110.319.15(e):

An occupancy limit shall be established for each short-term rental based on individual characteristics of the dwelling unit and property. Overall maximum occupancy of an STR will be determined by the Planning and Building Division Director or her/his designee(s) after considering all the factors below. The maximum number of occupants allowed within an STR is based on the following parameters:

- (1) The occupant load shall be calculated as one occupant for every 200 square feet of habitable space in accordance with Table 1004.5 of the 2018 International Building Code (IBC) or the currently adopted edition.
- (2) No distinction is made based on the age of the occupant.
- (3) In order to qualify as a sleeping area, the area shall also have safety features as determined by the Planning and Building Division Director or her/his designee(s), including, but not limited to, the requirements listed in Section 110.319.20.
- (4) Occupancy may be further limited by the following: available number of on-site parking spaces; voluntary reduced limits as proposed by the property owner; and any



other factors that the Planning and Building Division Director or her/his designee(s) determines may affect life safety.

(5) Daytime occupancy and nighttime occupancy limits are the same.

<u>Consideration</u>: GIS analysis shows that there are 1,463 Two (2) bedroom houses in Incline Village and Crystal Bay. The average square footage of this housing stock is 1,285 square feet, which would represent 964 square feet of habitable space in a typical dwelling (i.e. typically there is an average of 25% of uninhabitable space due to hallways, bathrooms, kitchens, etc.). Based on the existing methodology of using 1 occupant per 200 square feet of habitable space, this would result in an occupancy limit of 4.82 persons, or 5 occupants. If the 2+2 methodology is used, such units would be allowed 6 occupants (regardless of the actual square footage of the unit; e.g., there are 959 two bedroom houses less than 1,285 sf in size in the Tahoe basin).

C. Can there be a limit on rental nights per year?

**Current draft ordinance**: Does not propose a maximum time limit on habitation of STR.

Section 110.304.15 (a) Short-term rental.

Short-term rental (STR) refers to existing single-family dwelling units where, for compensation, lodging is provided within either the entire home or a portion of the home for a rental period of less than 28-days. STRs may be permitted to operate out of legally permitted, permanent dwelling units or accessory dwelling units in accordance with the standards within Article 319.

**Consideration:** Such a provision would be extremely difficult to enforce. The current ordinance proposes issuing an annual permit for STR's which allows flexibility to the owner regarding listing decisions.

D. Can there be a limit on length of stay? Can all residential units be rented for a minimum of 6 consecutive days?

Consideration: SAME AS ABOVE.

E. Can there be a required local manager overseer? To obtain a STR license/permit, can a property manager or trained "STR overseer" be located in the Tahoe Basin and able to be physically present at the STR within 30 minutes of any complaint? Can the manager's/ overseer's name and 24/7 telephone number be



disclosed to all residences within a 1-mile radius of the STR, and be listed on a publicly available site?

<u>Current draft ordinance</u>: current draft includes most of this request, except that it does not require that the responsible party's phone number be "disclosed to all residences within a 1-mile radius of the STR", nor does it require the responsible party to be physically present within 30 minutes, but rather requires this within 1 hour, if a physical presence is necessary and if weather and traffic permits. Operational plans include building a publicly accessible County website with this information which will be available to the public (not just to residents within 1 mile radius) as well as through the STR Hotline response. Per 110.319.15(a)(13), contact info for local responsible party must be included in educational material inside the home. Per 110.319.10(a)(11) to address safety concerns, no signage advertising the STR is permitted on the property.

### Section 110.319.15(a)(3):

Every STR is required to have a designated agent or property manager functioning as a local responsible party who is available 24 hours a day, seven days a week to respond via text message or phone to complaints/issues related to the STR within 30 minutes of contact by Washoe County staff or its designated representatives. The local responsible party must also be based in a location where they can physically arrive at the STR within one hour (not including reasonable delays due to traffic or weather) of the initial response. This requirement is intended to address complaints based on violations of this section or Section 110.319.20 and should not be interpreted for any other purpose. The STR property owner shall provide a single phone number (text-capable) and email address with which the local responsible party can be reached 24/7.

### Consideration: Included...

F. If an entity/person who owns or has a beneficial ownership interest in more than three STR properties in Washoe County be considered a business and required to comply with all applicable business licensing regulations in addition to STR regulations?

<u>Current draft ordinance</u>: Current draft does not consider any STR's as a commercial business, regardless of how many STR's an entity or person owns. STR's are established as a privileged license per 110.319.10(h)(l).

<u>Section 110.319.05(a):</u> Within the Boundaries of the Tahoe Area Plan. This sub-section becomes applicable upon adoption of an updated Tahoe Area Plan that replaces existing



regulatory zones with alternative designations. Prior to adoption of alternative regulatory zones for the Tahoe planning area, the provisions of subsection (b) below will apply.

- (1) Tier 1. Tier 1 STRs are considered an allowed use, subject to the issuance of an STR Permit, in all regulatory zones where single family and multiple family dwellings are permitted (allowed by right or otherwise.)
- (2) Tier 2. Tier 2 STRs are permitted subject to the issuance of an STR Permit with Administrative Review Permit in all regulatory zones where single family and multiple family dwellings are permitted (allowed by right or otherwise.)
- (3) Tier 3. Tier 3 STRs are permitted subject to the issuance of an STR Permit with Administrative Permit in all regulatory zones where Hotels, Motels and Other Transient Dwelling Units use types are permitted (allowed by right or otherwise).

<u>Consideration</u>: Most STR's will fall within Tier 1 (1-10 occupants). A GIS analysis has shown that there are currently very few property owners that own multiple properties in the Tahoe Basin, and no owners were readily identified that could potentially represent commercial accommodation enterprises/chains.

G. Can it be required that every residential unit must be left vacant for a minimum of 24 hours between successive rentals to fully sanitize/clean the residential unit to meet sanitation, health, and safety best practices and requirements per all applicable government entities?

**Current draft ordinance:** Such a requirement is currently not proposed.

Section110.319.15(a)(13): Educational material must be made available to all renters in the unit's kitchen or other common area and must contain the following: occupancy limits associated with the permit; exit locations; emergency phone numbers (ex. 911); phone number for the STR's local responsible party; fire/life safety information (ex. proper cigarette and ash disposal, community fire danger, proper BBQ operation, hot tub safety [if applicable], etc.); bear awareness brochure (for properties located in bear-prone areas); and Washoe County noise (quiet hours), trash and parking standards. Within the boundaries of the Tahoe Area Plan, the following must also be provided: a copy of the North Lake Tahoe Fire Protection District Vacation Rental Safety Information Sheet and Emergency Preparedness Guide; community evacuation routes; and avalanche warning methods (for properties located in designated avalanche danger zones).



<u>Consideration</u>: Ordinance draft includes <u>advisory</u> guidelines be provided in the educational materials related to cleanliness for the STR occupants and the STR permit application can include cleanliness guidelines for STR permit holders.

H. Can each STR unit be required to display on the back of each front door a list of County-dictated safety concerns (e.g. ample bear boxes), which are subject to routine inspection by the property manager/STR overseer?

<u>Current draft ordinance:</u> This type of information is required to be provided in educational materials in Section 110.319.15(a)(13) per the draft ordinance. These are not mandatory nor subject to "routine inspection by the property manager/STR overseer". Safety inspections per adopted life-safety codes are already provided per:

**Section 110.319.20 Safety Standards.** The safety standards within this section are applicable to all short-term rentals and must be in place in order to operate. Inspections will be required by the Washoe County Building Program and/or applicable fire protection district in order to verify compliance. (a) Sleeping Areas. Only habitable space qualified bedrooms and other areas meeting storage areas, kitchens, bathrooms, laundry rooms, hallways, closets, or similar shall not be used for sleeping purposes. Additionally, areas such as basements, under-floors, attics, lofts, garage conversions, or additions that were created without permits shall also not be utilized for sleeping purposes, unless a permit is submitted, approved and final inspections are completed. In addition to the square footage requirements listed in Section 110.319.15(e), the following standards are required of all sleeping areas proposed for short-term rental use and that contribute to the maximum occupancy of the STR:

- (1) Bedrooms. To qualify for STR use, bedrooms must be listed on the Washoe County Assessor's web site and contain all the following items:
- (i) A minimum ceiling height of seven feet as determined by Section 305 of the 2018 International Residential Code (IRC) or the currently adopted edition. (ii) An emergency escape and rescue opening complying with Section 310.1 of the 2018 IRC or the currently adopted edition, or the applicable code in effect at the time of permit of the original structure.(iii) When egress windows or openings are located more than 16-feet above exterior finished grade as measured to the finished sill of the window, or if the lot has extenuating features as determined by the code officials, a safe landing area shall be provided and an emergency ladder shall be permanently fastened to the inside of the wall per the manufacturer's recommendations. The ladder shall extend a maximum of 12 inches above grade. (iv) Safety glass is required for windows located in a hazardous location in compliance with Section 308.4 of the 2018 IRC or the currently adopted edition. (v) A smoke alarm(s) and carbon monoxide alarm(s) installed in accordance with Sections 314 and 315 of the 2018 IRC, or National Fire Protection Association (NFPA) 72,



or the currently adopted editions. (vi) All required smoke alarms and carbon monoxide alarms shall be interconnected in accordance with Sections 314.4 and 315.5 of the 2018 IRC or the currently adopted edition. (2) Other Habitable Rooms Intended for Sleeping Purposes. Other rooms intended to be utilized for sleeping purposes will be evaluated utilizing Table 1004.5 of the 2018 International Building Code (IBC) or the currently adopted edition. Rooms shall contain all the same safety features as required for bedrooms in sub-section (1). (b) Fire Alarms and Suppression Systems. Structures containing fire protection systems shall be serviced and tagged annually by a Nevada licensed fire protection contractor.(c) Additional Safety Standards. The following additional safety standards are applicable to all STRs: (1) The property address shall be posted on-site in a location clearly visible from the roadway, and address numbers shall be at least six inches in height.(2) The structure shall be maintained in a safe, hazard-free condition. This includes all mechanical, electrical, and plumbing systems, which shall be maintained in operating condition in accordance with the original permit approval, unless otherwise specified in this Article. (3) Structures with a calculated occupant load greater than 10 occupants shall be equipped with a monitored fire alarm system designed and installed in accordance with NFPA 72 and approved by the local fire protection district.(4) Every dwelling shall be equipped with fire extinguishers sized and located per the requirements of the currently adopted fire code and current edition of NFPA 10. (5) Smoke alarms and carbon monoxide alarms shall be installed in accordance with Sections 314 and 315 of the 2018 IRC or the currently adopted edition. (6) All stairways, steps, landings, handrails, and guardrails shall be installed and maintained in accordance with the 2018 IRC, or the applicable code in effect at the time of the original permit of the structure.(7) Hot tubs, saunas, whirlpool tubs, and similar devices shall be installed in accordance with the current electrical code and shall have a disconnect installed in accordance with the 2017 National Electrical Code (NEC) or the currently adopted edition. (8) Temporary wiring shall not be used for permanent fixtures, outlets, or receptacles. (9) Solid fuel burning appliances installed in bedrooms or other sleeping areas shall be equipped with oxygen depletion sensors installed in accordance with the 2018 Uniform Mechanical Code (UMC) or the currently adopted edition. All such rooms shall contain smoke and carbon monoxide alarms in accordance with Sections 314 and 315 of the 2018 IRC or the currently adopted edition. (10) All required exits and egress windows shall remain unobstructed and an emergency exit plan shall be permanently displayed in a clearly visible and central location. (11) Portable heaters shall not be used as a primary source of heat for any space. (12) A Knox box is required when a fire alarm system or fire sprinkler system is installed. (13) Defensible space shall be maintained in accordance with the standards required by the applicable fire protection district. (14) Any exterior recreational fire or fire pit fueled by natural gas or propane shall not operate unless permitted by the local fire district. (15) Outdoor wood-burning solid-fuel fireplaces or solid-fuel burning fire



pits are prohibited within the boundaries of the Tahoe Area Plan. Within the rest of unincorporated Washoe County, these require a permit from the Truckee Meadows Fire Protection District. (16) Emergency lighting shall be installed to sufficiently illuminate the exit pathways/hallways from sleeping rooms to the exterior of the building. A permanently installed system and/or a plug-in system of lights that turn on in the event of a power outage are both acceptable. (17) The STR shall remain accessible to emergency service vehicles and personnel per the applicable fire district and emergency responder's requirements.

To support this concern, liability insurance is proposed per 110.319.15(a)(13). Certificate of insurance is required identifying that the property is used as a short term rental and provides a minimum of \$500,000 liability coverage per occurrence.

<u>Consideration:</u> Provide advisory guidelines in educational materials.

I. Can quiet hours be extended from 9 pm until 8 am? Can County noise regulations prohibit amplified sound (music or noise) outside that disturbs neighbors?

<u>Current draft ordinance:</u> Short-term rental quiet hours are proposed to be from 10 p.m. – 7 a.m. County does not currently have strict or enforceable noise standards. Amplified music is not addressed specifically, but parties are. A confirmed violation of quiet hours cannot be proven, unless a disturbing the peace citation is issued at the request of a complaining party and the accused is found guilty at the subsequent court hearing. Two confirmed violations within 12 months would trigger the requirement for a noise management plan and a decibel monitoring device.

**Per Section 110.319.15 (a) (4)**: No events, parties, or weddings (regardless of payment or familial association), are allowed or may be advertised. A party is defined as any gathering in excess of the approved on-site maximum occupancy associated with the STR permit.

**Per Section 110.319.15(c):** Noise Standards. The following noise standards shall be adhered to:

- (1) Short-term rental quiet hours are in effect daily from 10 p.m. 7 a.m. Guests shall be instructed to be respectful of the surrounding neighborhood and reduce outdoor activities during this timeframe and shall be informed that proven violations of the quiet hours will result in fines/penalties being levied against the property owner, who may choose to pass on such fines to the renters.
- (2) Owners of properties that have received two confirmed STR noise violations within



a 12-month timeframe shall provide the Planning and Building Division with a comprehensive noise management plan, including the installation of commercially available decibel-monitoring devices with reporting capability. Records from the decibel-monitoring devices must be retained for a minimum of 60-days and made available for Washoe County staff to review upon request.

<u>Consideration:</u> Quiet hours are at the discretion of the policy making board and can be changed from 9 pm until 8 am daily if agreed upon by the Board of County Commissioners. There is no need to address noise from music specifically as draft language includes all disturbances.

J. Can activities in an STR be restricted from party functions such as bachelor parties, weddings, conferences, retreats, etc.?

<u>Current draft ordinance</u>: Per Section 110.319.15 (a) (4): No events, parties, or weddings (regardless of payment or familial association), are allowed or may be advertised. A party is defined as any gathering in excess of the approved on-site maximum occupancy associated with the STR permit.

**Consideration:** Current draft ordinance addresses this concern.

K. Can the number of cars allowed to park on the STR property be determined by the number of bedrooms/maximum occupancy? Can a parking plan be submitted with each permit showing where cars will be parked and rental agreements list all cars, trucks, RVs, boats, trailers, and other vehicles permitted at the STR. Can other cars, trucks, RVs, boats, trailers, or other vehicles be banned from parking on the property unless there is a designated space for them on the parking plan?

<u>Current draft ordinance</u>: The proposed ordinance draft requires 1 parking space per 4 occupants, however, it does not state that all recreational vehicles must be parked in a "designated space". An RV, boat, or trailer *may* occupy a designated space, but only if it does not eliminate required parking for the approved occupancy limit. Off street parking will not be approved to accommodate the requested occupancy. Requiring that even a boat be parked in a "designated" parking space may be too restrictive within the Tahoe Basin as available coverage from TRPA is limited and does not correlate to the calculation of 1 parking space for every 4 occupants. It is challenging to provide a fair calculation for parking of recreational vehicles tied to occupancy. The proposed ordinance will require STR applicants to provide a "parking plan" to be included on the site plan as submittal



for the permit. Also, parking is already prohibited in the right of way or easement outside of the STR parcel in the current draft. However, listing of all vehicles associated with parcel could be challenging to enforce as vehicles would change with each new booking (vary every time).

**Section 110.319.15 (b): Parking Standards.** The following parking standards shall be adhered to:

- (1) No STR parking is allowed within access easements or the public rights-of-way.
- (2) All parking spaces must be: improved to Washoe County residential standards (or Tahoe Regional Planning Agency [TRPA] standards, if applicable); developed onsite within property boundaries; and dedicated specifically for parking. In multiunit complexes, parking must be in designated parking spaces (if applicable) and limited to the number of spaces allotted to the unit. (3) One parking space is required for every four occupants. (4) Within the Tahoe Basin, on-site STR parking may be limited and may require approval of TRPA coverage. Limitations such as these and other factors do not reduce or eliminate the requirement for on-site parking. Inability to develop the appropriate number of parking spaces on-site will subsequently limit the maximum number of occupants allowed by the STR permit.

i. In extraordinary and limited circumstances within the Tahoe Basin, the Planning and Building Division Director is authorized to consider reducing or relocating the required parking spaces in circumstances where the property owner has provided sufficient evidence that the request is warranted and will not unduly impact surrounding properties. Such requests shall be made by submitting a director's modification of standards application.

**Consideration:** Advise no changes to the draft ordinance.

L. Can the STR owner be held responsible to ensure the STR has a trash receptacle inaccessible to bears and other wildlife, and of a size compatible with the permitted occupancy? Can the property manager/STR overseer be held responsible for timely trash pickup ensuring that renters leave trash outside only on the designated day and time for pickup?

<u>Current draft ordinance</u>: Wildlife proof trash container requirements are established in the draft ordinance, and states that the trash provider is responsible for "timely pick up" within the provider's schedule, not the local responsible party as proposed. However, the draft ordinance does not state size of trash container as this may change and should be under the purview of the service provider (such as IVGID) and not the WC ordinance.



In Incline Village, IVGID has the ability to fine property owners that violate trash regulations.

**Section 110.319.15 (d): Trash Standards.** The following waste removal standards shall be adhered to:

- (1) Trash and other waste must be managed as prescribed by Washoe County Health District, Waste Management and, if applicable, the Incline Village General Improvement District (IVGID). Waste cart size must be sufficient to store waste for the maximum number of occupants each week.
- (2) STRs in IVGID's service territory and other bear-prone areas must utilize wildlife resistant
- carts and/or bear boxes, except in multi-unit developments where HOAs require and enforce regular trash disposal.
- (3) Waste carts shall only be placed street-side during the timeframes stipulated by the local authority or waste service provider.

**Consideration:** The draft ordinance addresses this issue.

M. Can the STR owner be held responsible for any intrusion into, damage to, or destruction of neighboring property?

<u>Current draft ordinance</u>: Property damage is already an illegal act prosecutable under the law. No new laws specific to this are needed. Also, current draft ordinance\_requires liability insurance per Section 110.319.15(a)(13). Certificate of insurance is required identifying that the property is used as a short term rental and provides a minimum of \$500,000 liability coverage per occurrence.

Consideration: No changes to the draft ordinance.

N. Can STRs located in the Tahoe Basin be charged a higher licensing fee, and all fees collected to be used solely for STR enforcement in the Tahoe Basin?

<u>Current draft ordinance</u>: BCC has already directed staff to make the STR Program costneutral. Permit fees have been based on the estimated cost of implementing the STR program. The ordinance is proposing double the standard administrative enforcement penalty fees for STR violations and it is the plan to use permitting fees to hire a new code enforcement officer dedicated to enforcing STR regulations. To clarify, under the current draft ordinance an STR *permit* will be issued not a "license". These fines and fees will be provided in the second reading of the ordinance.



**Consideration:** The draft ordinance addresses this issue.

O. Can an STR with 3 reported infractions/violations in a 6-month period not be permitted to continue operating for the next 12 months?

<u>Current draft ordinance:</u> The current draft establishes that 3 *confirmed*, not reported, violations within a 12 month period will result in a one year revocation of the STR permit. Using a 6 month period would be ineffective because it would be very unlikely 3 *confirmed* cases would get through all administrative remedies (appeals, board hearings, etc.) in that time frame. The current draft fine schedule would levy increasing fine amounts for subsequent violations, not the same amount for every infraction. These fines and fees will be provided in the second reading of the ordinance.

**110.319.40(c)(1):** If, after all administrative remedies have been exhausted, a property owner has been found guilty of violating the standards of this Article through three (3) separate instances/investigations during a one (1) year timeframe. The issuance date of the respective penalty notices shall be used as the basis for determining if three (3) separate, but consecutive, violations have occurred during a one (1) year time frame. If multiple violations are discovered during a single investigation, said violations shall count as one (1) instance for the purposes of this section

Consideration: The draft ordinance addresses this issue.

P. In order to deal effectively with STRs during a general emergency (e.g., COVID pandemic), could the County code be amended to allow County government to declare an emergency with emergency regulations?

**Current draft ordinance:** The draft ordinance addresses this issue.

**Section 110.319.50 Restrictions During a Declared Emergency**. STRs are subject to all lawful orders of the Governor of Nevada during a declared emergency and to all powers granted by law to the local governmental entities. For example, this may include but is not limited to additional operating restrictions or the requirement to cease operations until such time as the order is lifted.

**Section 110.319.30 (a) (1) Permit Considered "Privileged."** The Board of County Commissioners hereby declares the operation of an STR within residential areas as a "privileged" activity subject to additional operational standards above and beyond those of other residential uses and subject to specific enforcement and revocation procedures.



**Consideration:** The draft ordinance addresses this issue.

Q. Can the County review the STR Ordinance after 6 months to determine if it needs to be adjusted?

<u>Consideration</u>: Do not include this in new ordinance as a rule it is a policy matter. Staff has identified the need to provide an ordinance review in 6 months, preferably after the summer season with data to inform changes.

R. Can a limit be placed on the total number of STRs in IVCB similar to limits placed by the City of South Lake Tahoe and Douglas County? If such a limit were instated, can a provision allow existing permits to be grandfathered in for a set period of time?

<u>Current draft ordinance</u>: The current draft ordinance does not limit the total number of STR's. The current draft does not allow "permits to be grandfathered" (there currently are no permits to "grandfather"). In fact, it prescribes the opposite:

**Section 110.319.15(a)(2):** STR permits must be renewed and issued annually in order to advertise or operate. Previous issuance of an STR permit does not guarantee that a subsequent permit will be issued.

**<u>Consideration:</u>** Advise no changes to the draft ordinance.



### **SHORT-TERM RENTALS General FAQ's:**

#### WHAT IS HAPPENING?

Washoe County has begun the process to establish standards for short-term rentals in the unincorporated County (outside of Reno and Sparks)\*. The County recently completed the first phase of public outreach, including three public workshops, a series of stakeholder meetings and an online survey. Additional details are available at <a href="https://www.washoecounty.us/str">www.washoecounty.us/str</a>. Input will be used to draft approaches for consideration by the Board of County Commissioners.

\*Unincorporated Washoe County includes those areas of the County located **outside** of the city limits of Reno and Sparks. It includes areas such as Incline Village, Washoe Valley, Spanish Springs, Hidden Valley, Sun Valley, portions of Verdi and Cold Springs, and others. If you're not sure if a location is within unincorporated Washoe County, visit <a href="https://gis.washoecounty.us/wrms/quick/city">https://gis.washoecounty.us/wrms/quick/city</a> to find out.

#### WHAT DOES THE COUNTY WANT TO ACHIEVE?

Washoe County intends to establish simple, fair and enforceable standards for short-term rentals that balance competing interests and maximize voluntary compliance.

### WHAT MIGHT BE POTENTIAL AREAS OF CONCERN?

Community stakeholders and agencies have identified the following areas of potential concern relating to the establishment of standards for short-term rentals in unincorporated Washoe County (partial list only).

- **Permitting Process**: (ex. fees, fines, review times, etc.)
- Fire and Guest Safety: (ex. defensible space, smoke detectors, structures meeting code standards, etc.)
- Occupancy Limits: (ex. number of guests allowed per room, home, etc.)
- Parking: (ex. adequate off-street parking spaces, designated parking areas, etc.)
- Trash: (ex. placement or volume of trash, bear-proofing, etc.)
- Noise: (ex. excessive noise, late-night/early morning noise, etc.)

### **HOW CAN I STAY INFORMED?**

For more information about the County's efforts to establish standards for short-term rentals, or to subscribe to updates, visit www.washoecounty.us/str.

#### **NEXT STEPS**

Input from the public workshops, stakeholder meetings and online survey is being used to draft recommendations for consideration by the Board. The next set of key milestones for establishing short-term rental standards are as follows (timing subject to change):

- 1. **Board of County Commissioners (BCC) check-in.** Status update to confirm direction. Expected to occur in fall 2019.
- 2. Publish draft code language for 21-day public comment period. To occur after BCC check-in.
- 3. **Planning Commission and BCC hearings**. Expected to occur in early 2020, assuming no major changes as a result of previous steps.



### 1. What is a short term rental (STR)?

A short-term rental, or STR, may also be referred to as a vacation rental. STRs are generally rented to guests for 28 days or less out of private residences such as homes, apartments and condos. They're commonly available through property management companies and online booking services such as Airbnb and VRBO.

- 2. Which geographic area(s) will be affected by these efforts?
  - Unincorporated Washoe County only. This **DOES NOT INCLUDE** properties within the city limits of Reno or Sparks. It **DOES INCLUDE** areas like Incline Village, Washoe Valley, Spanish Springs, etc.
- 3. Is banning STRs an option for Washoe County? If not, why not?

The direction from the Board of County Commissioners is to establish standards and a permitting process governing STRs in unincorporated Washoe County. Experts across the industry have recognized that STRs continue to exist even in jurisdictions where a ban is in place. Establishing standards and a permitting process will allow for impacts to be addressed and regulations to be enforced.

- 4. Will all hosts of STR's be required to register with Washoe County?
  - Yes, a permitting process is expected to be developed as part of the efforts to establish STR standards.
- 5. What if my property is already registered with RSCVA?
  - The Reno-Sparks Convention and Visitors Authority (RSCVA) requires hosts of STRs to obtain a transient lodging tax (aka room tax) license. In order to operate, hosts of STRs will also need to obtain the appropriate permit/license through Washoe County once a process has been established. Although the RSCVA is a separate entity from Washoe County, it is expected there will be opportunities to reduce potential overlap in the permitting processes between the two organizations.
- 6. Will there be a fee associated with obtaining a short-term rental permit or license with the County?

  Yes, it is expected that a permit or license fee will be required in order to operate a short-term rental in unincorporated Washoe County. Additionally, it is expected that non-compliance may result in penalty fines.
- 7. Will general taxpayer dollars be spent to implement/enforce STR standards?

The County's goal is to establish a fee and fine structure for short-term rentals that will cause the program to be revenue-neutral. That is, fees and fines will be expected to support implementation of the program and enforcement of newly-established regulations. This includes fees covering the cost of any inspections necessary to obtain a permit or license.

- 8. Will hosts of STRs also be required to pay room tax?
  - Yes, this will not change.
- 9. How much room tax is generated by STRs in Incline Village? How much of that does Washoe County get and where does it go?

The RSCVA assesses a 13% room tax on STRs in Washoe County. That room tax is paid to the RSCVA, which keeps a portion and then distributes the remainder to various State, regional and local agencies. Per State law and various government ordinances, Washoe County receives 1/13<sup>th</sup> of the room tax paid in unincorporated County areas. Based on a 5-year average, RSCVA receives approximately \$1.6M annually for room taxes associated with STRs in the Incline Village/Crystal Bay area. Washoe County receives 1/13<sup>th</sup> of that amount, which is approximately \$125,000 annually. That goes into the General Fund.

10. Will the distribution of room tax change as a result of efforts to establish STR standards in the County?

No. As indicated above, State law and various government ordinances control how much Washoe County receives of the 13% room tax assessed by the RSCVA. The County currently receives 1/13<sup>th</sup> of that amount. That is not to say that the topic will not be revisited in the future.



- 11. Will the County regulate the number of days in a year a home can be rented as a short-term rental? There are a number of possible regulatory options that the County may consider in its efforts to establish STR standards. County staff is seeking input on STR impacts and potential options for reducing negative impacts. Staff looks forward to hearing suggestions like these and others during the public input process.
- 12. Aren't concerns over trash, parking, and noise already covered by existing ordinances? In some cases, yes. The County is assessing if (or how) current laws adequately address quality of life impacts like trash, parking, and noise. Public input is a critical part of this assessment.

### 13. Are there benefits to having STRs in a community?

Although impacts to neighbors are the most commonly talked about aspect of STRs, they also can benefit a community. STRs provide an alternative lodging option in areas where traditional lodging availability may either be inadequate or undesirable depending on a guest's preferences. STRs also can have positive economic impact in terms of dollars spent within a community; provide additional income to residents who host STRs; assist in job creation for the tourism sector; and provide alternative housing options for a community's seasonal employees.

### 14. How many STRs are in Washoe County? In Incline Village?

The number of STRs in a community can vary dramatically month-to-month and season-to-season as homes come on and off the rental market for a variety of reasons. Once a permitting process is established for STRs in the County, averages will be better able to be tracked over time. However, current unofficial estimates put the number of STRs in all of unincorporated Washoe County as ranging between roughly 500 and 900 distinct units, varying greatly with time of year. The majority are located in Incline Village/Crystal Bay.

#### 15. What is the Tahoe Regional Planning Agency's (TRPA's) role in this process?

TRPA's Governing Board voted in April 2019 to make STR neighborhood compatibility a third component in the system by which local jurisdictions are rated and receive residential allocations from TRPA. As part of these efforts, TRPA has established a STR Neighborhood Compatibility Working Group to provide guidance on standards affecting a jurisdiction's rating. The standards are currently in draft form. It's expected they'll be finalized and provided to TRPA's deciding bodies late 2019 for consideration on whether to adopt them.

### 16. Does Washoe County have an agreement with TRPA regarding STRs?

Yes. In October 2004, Washoe County and TRPA executed an interlocal agreement governing vacation rentals in the Lake Tahoe basin portion of Washoe County, especially in regards to common objectives.

#### 17. Is the County looking at best practices from other jurisdictions around the country?

Yes. In addition to seeking input from affected stakeholders in Washoe County, the County is investigating regulatory options used by jurisdictions across the United States. This includes but is not limited to other jurisdictions around the Lake Tahoe area, in Nevada, and in similar communities in other states. The intent is to learn how other communities have addressed STRs and identify approaches that may be successful here.

### 18. Can Incline Village have separate standards for short-term rentals?

As a body, the County Commission's direction to staff was to draft STR standards that would be applicable across unincorporated Washoe County. However, numerous members of the public maintain that the Incline Village area presents unique environmental and other challenges that warrant distinct standards. This request is expected to be brought forward to the County Commission for their consideration.

### 19. How can I provide input on this process?

The County welcomes public input throughout the process. A variety of opportunities will be available, including public workshops, an online survey, public hearings, and an official public comment period to review draft language. Current opportunities will be posted at <a href="https://www.washoecounty.us/str">www.washoecounty.us/str</a>.