

Vacation Home Rental ad hoc Committee Meeting

Overconcentration Policy Exercise

June 12, 2018

Prohibit in Residential Zones – Most, if not all, VHRs are in residential zones; this would amount to a ban of VHRs almost entirely; would include currently-licensed VHRs.

Pro:

- Hotels do not belong in residential neighborhoods
- Agree, want to live in a local community, not a “visitor center”
- Agree, we don’t want to live in a commercial area. There are no long-term rentals for people who work here to live in. Some of my staff drives 60 miles (one way) or more each day. Support hotels. Would send tourists to spend more money/participate in local economy
- What is the purpose of having a “residential zone” versus a “commercial zone” if “hotels” are operating in both zones? Need to clarify exactly what constitutes a business vs a residence
- I agree. I don’t want a business to be operated five feet from my bedroom
- You need to protect the rights of families
- It is a quality of life issue
- Agree, this would verify the original intent of single family residential
- Yes, these are residential neighborhoods not 24-hour resort islands
- Finality, would completely solve all concerns voiced by local residents
- I would like to get a legal opinion as to what sort of uses are compatible with R-1 zones
- Absolutely, my residence should not subsidize business ventures
- VHRs do not belong in neighborhoods; we have hotels for that

Con:

- Extreme solution, should be a last resort
- Need to accommodate tourists to save our jobs, regulate with existing laws
- These are the areas families would chose to rent in
- To restrict VHRs in Tahoe would destroy the economy
- Violates property owners rights/negative effect on local economy/job killer/decreased home values of residents who already own homes/bad for families/ makes harder to support/ BAD

- This would lead to a decrease in tourism; the economy would take a huge hit. Locals could not pay their mortgage, homes would foreclose, vacant homes sitting unused.
- Decreased property values. Not allowing new permits has already dropped property values in the City compared to the County area
- This would decrease property values as we live in a tourist-driven economy in which businesses rely on tourism
- Would require more hotels/motels to be built to accommodate tourists. Increased building would negatively impact the lake.
- Residential neighbors would need more police presence as all those empty houses would be attractive to the criminal elements
- Too extreme to eliminate. Residential vs Commercial. No commercial argument would eliminate the long-term rentals too; private property rights to use as long as respectful; more enforcement. County surveys show it's mostly a non-issue
- Unfair to all. Would be a total ban. Everyone loses.
- VHRs are in residential areas because that's where the demand is.
- Show us the statistics!! Is this a big problem? How many VHRs, how many complaints, is it the same people complaining?
- I strongly agree with the comment above.
- Huge negative economic impact. Taking of a reasonable property right

Require a Conditional Use Permit for ALL VHRs -- Already proposed policy for VHR owners that want to allow more than 12 people; environmental review required, discretionary action by Planning Director or Planning Commission

Pro:

- Would require approval by neighbors
- The neighbors would get a say as to whether they want a commercial business next door
- As a long-time local, I would like a say in what is allowed in my neighborhood
- Neighborhood input most certainly is necessary
- Yes, need a permit—it's a business!
- Prevent investor-driven large VHRs that are essentially hotels
- It is a business! Why wouldn't it need a permit?
- Gives local residents peace of mind knowing there is some regulation and oversight
- Yes, this makes it easier to pull the permit for bad behavior, just like a bar or liquor store
- Neighborhood approval for anything approaching 12 vacation home rentals should be required!
- More than 12 only
- All VHRs should have one

- Neighborhood input necessary
- If they use it as a business, they should have to go through this process

Con:

- Other conditional use permits issued by the County have not been enforced
- How do you tell people they need to limit the amount of children they can bring? Adult-only limitation
- Define purpose, intent and cost for environmental review
- Hugely cost-prohibitive to the smaller or low use VHRs and Air BnBs
- Cost too high, only the rich can afford; keep the permit the same
- Limits to VHRs to wealthier owners who likely buy homes only to rent, no to stay in themselves
- This limits an average homeowner from being able to have feasible revenue to pay for their home. This would make it so only corporations would be able to afford the application fee
- Appears to be overly-bureaucratic solution; fees are prohibitive; focus should be on enforcement
- Permitting fee is too high!
- The process will take too long to get a VHR permit during an escrow period. This is not a safe investment for buyers
- Crazy abuse of power and burden upon non-problem VHRs. Suggest only require for problem VHRs
- Not an issue in my neighborhood as most houses are small
- Do NOT use this for all VHR permits. It would make the cost of a permit too high and most owners could not afford it. So only HUGE homes owned by rich people could afford a permit
- Cost prohibitive; non-problem properties need not be penalized, Look at the history of the existing VHR
- VHRs already have to get a permit. I don't see what a different (more expensive and lengthy) permit would accomplish

Limit to “hosted” Rentals Only – Would allow “partial home” VHRs or “homestays”; vacationers would rent a room or rooms, but would not have private access to full home; resident/owner would need to be present during rental; would likely limit concentration and total number

Pro:

- Possibly fewer violations
- It would inhibit the big parties, parking, trash, damage and noise

- Houses a long-term resident
- Meets the original intent of Air BnB
- Motels have managers to keep things under control, so do BnBs. This could work!
- I like this idea, but how will we be sure the owners are present? I do believe it would be a help with noise and issues that are troublesome
- Hosted rentals eliminate most enforcement issues as on-site owners can monitor many otherwise unenforceable issues
- Greater accountability, decreases noise, trash; oversight by owner is good!
- Hosted are probably by far the least trouble-causing type; fair to not bother them unless they (individually) do become a problem
- On-site supervision would pretty much eliminate most “behavior” issues
- This seems to work well in other areas like Colorado and D.C.
- This would control some over the top party situations
- Would solve most all issues that arise from non-hosted properties
- Works with other communities; self-enforcement of good behavior
- Would limit noise issues
- Less noise complaints and more long-term rentals

Con:

- Owner must be present; what if they live there but also have a manager for times they are not present on a limited basis
- Should be changed to “primary residence”
- Does not give responsible VHR owners to have a vacation home and mitigate costs while living elsewhere
- No good, period
- Greatly decreases income/taxes collected for County
- Would restrict fair housing and usage
- Mostly 2nd homes for people. Renting while not using is the objective for many homeowners; greatly restricts private property rights
- People who have vacation homes will not rent long term; most VHRs are vacation homes that are rented when owners are not there
- How do you manage and monitor such a program? It would be like having a hotel; what happens if the homeowner leaves and enforcement shows up?
- In all cases only *actual* problem units should be punished
- This would not be a viable option for property management companies to manage these vacation rentals; many homeowners do not want to be present in the home
- Greatly reduces the number of renters; what data supports the concept that traffic or city services would be less if “hosted”?
- Wouldn’t work for owners who live a considerable distance from their VHR

- This wouldn't work for the vast majority of owners and isn't what people renting VHRs are looking for
- Most people don't want to share a house with the owner, they want to use it for their family and friends
- Extremely over-restrictive proposal; unreasonable limit on property rights; would essentially eliminate the industry
- Difficult to enforce

Cap Total Number in Tahoe Basin – Number needs to be determined; could be a number greater than what we have currently, or less than what we have currently; would not necessarily limit concentration in a given neighborhood; if *less* than what we currently have, would require a system to determine which existing VHRs are allowed to continue operating; could also be a temporary measure (moratorium)

Pro:

- Need to know the percentage of full-time owner- or renter-occupied vs sitting empty except for occasional visits of absentee owners vs number of VHRs
- Yes. Survey Monkey results are weirdly skewed. If you experience a bad VHR you know the nightmare of multiple ones
- Yes, cap the number of VHRs allowed in the County; maybe similar to the City and regulate the occupancy!
- Yes, cap the total number and regulate percent in each neighborhood or street. Also moratorium until a policy is determined.
- Yes, cap them
- Yes, limit the amounts in the County too
- Yes, absolutely cap legal VHRs and make policies to shut down all of the illegal VHRs which are out there and operating with no one stopping them
- A cap without restricting or buffering distance between units will not be successful in reducing issues
- Most problems started once the number exceeded 600; now it is 900. A cap is needed.
- Prevents flooding of vacation rental applications/homes in County due to city of SLT action
- Cap them; should only be equal to a percentage of long-term rentals
- We will never have balance in the community without a cap
- Moratorium now! Control this issue
- Cap them and limit the number per neighborhood
- Survey Monkey skewed
- Don't agree ^^

Con:

- If vast majority of respondents indicate “not a problem,” then why?
- Arbitrary cap; why not just deal with the problem VHRs?
- Tourism is what supports our local economy. To put a cap is to restrict that revenue
- Putting a cap would not only reduce taxes and revenue but who decides how many is too many?
- Blanket solution does not address high concentrations of VHRs in particular neighborhoods
- Not fair to all owners, limits tax revenues
- This directly affects property values and limits a homeowner’s right to rent nightly in a tourist-driven economy
- Forces people underground, which loses the TOT, loses ability to enforce the rules if cap is too low
- Tourism would be hurt and home values would decrease. Services are no different if 6 people (owners family) or tourists are in the residence; a ban hurts everyone who wishes to enjoy the basin
- The market will determine the correct number; better to reduce occupancy levels to reduce impact than to reduce the number of VHRs
- Total cap has not yet been shown to be necessary
- Creates hardship for owners when they need to sell
- Number will be arbitrary and does not address the real issue
- A cap is not necessary when most say it’s not a problem
- It will reduce home sales and property values
- It will reduce jobs and home values. How can you differentiate who can and can’t rent their homes; property owners should be able to rent or do what they feel with their OWN PROPERTY
- Survey says it’s not a problem, so why cap it?
- If you cap VHRs, you must make sure those who have permits are using them. Have a minimum TOT or must rent from more than 100 days/year
- Possibility of more illegal VHR homes. No TOT tax, how to manage what to do with homes that aren’t permitted as they don’t have rules or regulations set to follow

Overlay Zone – An area where VHRs are specifically allowed; outside of this area they would be banned; would not necessarily limit the number within the allowed zone; specific neighborhoods would allow them; some existing VHRs would cease operation

Pro:

- Good idea but keep VHRs out of residential areas
- Make the areas only in the tourist core or designated area

- Many have encouraged the placement of VHRs in commercially-zoned areas
- Yes, I feel they should be in concentrated core tourist areas, most residential should be free of VHRs
- This might allow neighborhoods to retain their quality of life

Con:

- Not very logical or reasonable that one neighborhood has VHRs and another does not; disparate treatment and NIMBYism
- Doesn't seem practical; how would you determine what neighbors are suitable; different for each village?
- This is not good for property values, potential homebuyers in the second home market or home sellers
- How would you choose which neighborhoods could have VHRs and which would ban them?
- This would create an "added value" to homes in the neighborhoods that allow VHRs, and take "value" away from homes in areas that ban the VHRs
- Overlay concept does not fit Tahoe Basin area
- Agree ^^ This concept would require its own set of specific oversights
- Show the data of existing VHRs in an area and data of history of complaints and traffic or police problems; without that data do not limit the homeowners' rights
- Let the market determine where the VHRs would be; do you think it was a good idea to move the Indians to reservations because they were in the way?
- Creates a disparity in property values; Maui County did this and there's now a huge difference in property values and people in banned areas are renting illegally
- Not necessary; the levels of complaints don't equal an issue; discriminatory to a specific class of people
- Seems like discrimination based on ownership location
- This would create a skewed value of homes where the VHR values will end up being more than a long-term-rental-only neighborhood

Cap on Number or Percentage in Each Neighborhood or "Block"—E.g. 10% of homes can be VHR, if neighborhood is at capacity no other permits issued until one expires/ceases operation; would limit number within the given neighborhood/area; would require a system to determine which existing VHRs are allowed to continue operating

Pro:

- Yes, the residents need a cap or moratorium NOW!!! There are currently at least 5 VHRs on our street and a 10-11 bedroom megahotel
- No hotels in residential areas

- Not compatible with R1 zoning
- Protects our rights as homeowners
- Help current residents who are surrounded by VHRs
- Should be limited by distance to prevent clusters
- Inhibits large groups who rent several houses in a row and the affiliated problems
- If 500-foot buffer is not a proposed solution, then a cap of 10% in a “spaced” format would be preferred
- Would also need to the status of the other 90%--are they vacant, for sale, occupied full time or occupied occasionally by absent homeowners—what is the density of the area?
- Yes, this would at least share the pain and my neighborhood would not have 40% of them
- Yes, each block or area evaluates—no exceptions
- Yes, a cap must be set and a number or percentage set for each block
- Reasonable solution; avoids overconcentration and allows more normal neighborhood environment (I’m a VHR owner)
- Yes, eliminates saturation and still allows for a reasonable number of VHRs
- This may help equal out neighborhood’s residential-to-tourist population; a 10-20% cap may be helpful
- Protect our quality of life and limit problems in neighborhoods
- Don’t agree!!

Con:

- Administrative nightmare with probable arbitrary boundaries
- Isn’t the goal to consolidate them in an area?
- Limit the number of occupants to 2 per bedroom; limit to no more than 20% in a neighborhood
- No data to support that VHR clusters is an issue
- Would not break up clusters; there are residents surrounded and that would not change
- Don’t like this idea at all! Could have four VHRs that are right next to each other!
- Difficult to enforce; there are very few long-term rentals
- Unfair restrictions on owners who want to rent in areas of existing rentals
- Not fair—US Constitution Amendment 14 and 1968 Civil Rights laws
- One home can still be surrounded with a cap and no distance requirements
- Very difficult to enforce and manage
- How can you tell someone they can and can’t rent their own property—they OWN it!
- Not fair to homeowners that may want to potentially rent their home out. Not good for real estate values

Separation Distance Between VHRs – E.g., require 500 feet between each VHR; no two VHRs could be next to each other; distance would be measured for each new application; would require

a system to determine which existing VHRs are allowed to continue operating; would limit number within the neighborhood/area; would require a mapping system for VHR permits

Pro:

- There are many neighborhoods currently overrun with back-to-back and next door VHRs; a 500-ft buffer between VHRs would reduce many of the noise and parking issues. I feel this is the most valuable solution if VHRs are to be allowed in R1 zones
- A 500-ft rule would act as a zoning rule, e.g. if one within 500-ft you know you're not getting another; would provide peace of mind; if you want to relocate you would know where the VHRs are currently
- This would assist with a cap on the total number of VHRs; it would prevent large groups renting clusters of houses (and associated problems); would give relief to residents surrounded by VHRs, would help realtors sell homes away from VHRs
- It would help with residents being outnumbered by tourists
- It would depend on the size of the lots, which vary from town to town
- Excellent choice for minimizing certain problems, i.e. noise, parking, rude behavior
- Yes, no VHRs next to each other; not sure 500-ft would be enough
- The most balanced solution
- Distance may need to be 750-1000 feet
- Definitely like this idea but need to consider houses that are directly behind you; still could have a VHR right behind you and one next to you, which could still possibly cause a cluster, so that needs to be considered as well
- I like the idea. A person could purchase a VHR permit and then choose to sit on it and not have *any* VHRs within a 500-ft buffer
- It is unfair to neighbors to be stuck between so many VHRs
- Yes, currently we have one 35-feet from our bedroom and one across the street about 135-feet away

Con:

- Need a 1000-foot minimum
- No to VHRs next door or across the street
- Depends on history and complaints within a neighborhood. Existing VHRs without a history of complaints or problems within a neighborhood should not be punished for problems which have arisen outside the neighborhood
- Bad idea, will only distribute VHRs throughout the County, ensuring there will always be a VHR next to an owner. No data to support the idea that clusters of VHR
- Not reasonable. What problem does this solve? What if two perfectly quiet VHRs are next to each other? Solve *problem* VHRs, don't make rules that have no benefit
- The goal is to constrain them to a specific area. Why create a separation?

- This would spread VHRs into neighborhoods that currently don't have them or have a very low concentration of VHRs currently
- If you do a distance rule you have to also require all VHR permits to be used: "use it or lose it" because people will get a permit just to prevent any homes around them from being VHRs; there has already been discussion in our community on this and people have stated on social media that they would get a permit to prevent any nearby homes from getting one in the future
- This is a very challenging management issue, if not impossible, and very costly; VHRs in proximity will not worsen the "issues"; This will just push our vacationers further out and possibly make visiting less attractive
- Arbitrary restriction—focus on enforcement
- Unfair. First come first served is not the answer
- Renters like to rent properties near on another when they have a large group or family
- Not good for home values or potential homebuyers in the second home market