



WASHOE COUNTY

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STAFF REPORT

BOARD MEETING DATE: May 10, 2022

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TO: Board of County Commissioners

FROM: Courtney Weiche, Senior Planner, Planning & Building Division, Community Services Dept., 328-3608, cweiche@washoecounty.gov

THROUGH: Mojra Hauenstein, Arch., Planner, Division Director, Planning & Building Division, Community Services Department, 328-3619, mhauenstein@washoecounty.gov

SUBJECT: Public Hearing: Second reading and adoption of an ordinance amending Washoe County Code Chapter 110 (Development Code), Article 319, Short Term Rentals (STRs) by amending various sections in order to: (1) change the requirements for processing a tier 3 STR application from an administrative permit approved by the Board of Adjustment to a special use permit approved by the Planning Commission; (2) exclude overflow parking spaces in condominium or multi-family complexes in the calculation of required parking spaces; (3) require the STR property owner(s)' notarized certification to include an attestation that the subject STR property is covered by insurance that provides for a minimum of \$500,000 liability coverage per occurrence; (4) repeal the requirement to submit a certificate of insurance; (5) provide that a bear box is required in the Incline Village General Improvement District's service territory following two confirmed trash violations; (6) modify the maximum occupancy calculation from one occupant for every 200 square feet of habitable space to two (2) occupants for each legally permitted bedroom, with the remainder of the home (excluding bedrooms) calculated as one occupant for every 200 square feet of habitable space; and all matters necessarily connected therewith and pertaining thereto. (All Commission Districts.)

SUMMARY

To conduct a second reading of, and possibly adopt, an ordinance amending Washoe County Code Chapter 110 (Development Code), Article 319 Short Term Rentals. The proposed code amendments are summarized on page 3 of this staff report.

This proposed ordinance is in response to direction received from the Washoe County Board of County Commissioners (Board) at its February 22, 2022 meeting, and is supported by the Planning Commission's recommendation. The proposed code amendments are also based on permitting experiences to date, extensive public and agency input, and an analysis of potential regulatory amendments.

AGENDA ITEM # _____

Washoe County Strategic Objective supported by this item: Safe, secure and healthy communities.

PREVIOUS ACTION

April 12, 2022. The Washoe County Board of County Commissioners (Board) introduced and conducted a first reading of an ordinance amending Washoe County Code Chapter 110 (Development Code), Article 319 Short Term Rentals.

March 1, 2022. The Washoe County Planning Commission (PC) reviewed the proposed amendments to Washoe County Code Chapter 110 (Development Code), Article 319, Short Term Rentals (STRs), and voted unanimously to recommend approval of Development Code Amendment WDCA22-0001 to the Board.

February 22, 2022. The Board received a staff presentation on the implementation of the short-term rentals program (STRs) since regulations went into effect on May 1, 2021 and received a series of policy recommendations. The Board provided direction to staff to draft a code amendment addressing occupancy calculations (i.e. change in methodology), parking requirements, trash/garbage collection rules, insurance requirements and permitting requirements.

March 23, 2021. The Board held the second reading and adopted Ordinance numbers 1665, 1666, and 1667 amending the Washoe County Code within Chapters 110, 50 and 125, establishing standards and processes associated with the administration and enforcement of STRs in unincorporated Washoe County.

February 23, 2021. The Board introduced and held the first reading of Ordinance Numbers 1665, 1666 and 1667 amending the Washoe County Code within Chapters 110, 50 and 125, establishing standards and processes associated with the administration and enforcement of STRs in unincorporated Washoe County.

August 25, 2020. The Board was scheduled to hear the first reading of the proposed ordinances, but the meeting was cancelled. The item was not placed on a subsequent agenda due to additional discussions with commissioners and the public regarding potential changes to the draft ordinances.

February 25, 2020. The Board reviewed the proposed ordinances and provided direction to staff in lieu of conducting an introduction and first reading.

January 7, 2020. The Washoe County Planning Commission (PC) reviewed proposed changes to Chapter 110 and voted unanimously to recommend approval of Development Code Amendment WDCA19-0008 with minor modifications.

December 10, 2019. The Board formally initiated amendments to the Washoe County Code related to STRs.

November 12, 2019. The Board heard an update on the STR project, including staff's recommendations related to standards and a permitting process.

February 26, 2019. The Board determined that by adopting changes to WCC Chapter 25 in 2007 to allow transient lodging and associated room tax, the use is allowed within Washoe County (although it was not yet defined within Chapter 110). Further, the Board identified it did not want to ban short-term rentals in unincorporated Washoe County. In

order to resolve potential conflict between the two WCC chapters, the Board directed staff to start the process of establishing regulations for STRs to properly administer their use.

July 10, 2007. The Board adopted changes to Washoe County Code Chapter 25 relating to transient lodging.

BACKGROUND

Short-term rentals are a type of temporary lodging of brief duration (28 days or less) operated out of private residences such as homes or condos. They are commonly available through property management companies and online booking services. They are also referred to as vacation rentals.

As with other industries affected by the sharing economy, the rise of online advertising platforms such as Airbnb and VRBO has broadened the traditional lodging industry by expanding opportunities for the average homeowner to tap into the tourist market and offer their home for short-term rental use. Although vacation rentals have been available in various forms for decades, these newer technologies have led to expanded temporary lodging options and a greater awareness of the prevalence of short-term rentals in many communities. Along with that, has come an increased focus on the impacts of STRs on neighboring residents and the larger community. Washoe County, and especially the Incline Village/Crystal Bay area, is no exception. Accordingly, Washoe County adopted ordinances regulating STRs in the unincorporated portions of Washoe County on March 23, 2021.

Article 319 Amendment Summary

The following is a summary of the specific sections of Article 319 recommended for amendment:

Section 110.319.05(a)(3) change the requirements for a tier 3 STR from an administrative permit approved by the Board of Adjustment to a special use permit approved by the Planning Commission;

Section 110.319.10(d) exclude the use of overflow parking spaces in condominium or multi-family complexes in the calculation of required parking spaces;

Section 110.319.15(a)(12) remove the requirement to submit a certificate of insurance;

Section 110.319.10(h)(9) add the minimum requirements for STR insurance coverage to the required notarized affidavit statement;

Section 110.319.15(d)(2) add the requirement for a bear box following 2 confirmed trash violations within IVGID service territory; and

Section 110.319.15(e)(1) change the calculation for determining maximum occupancy limits.

FISCAL IMPACT

No fiscal impact.

RECOMMENDATION

It is recommended that the Board of County Commissioners hold a second reading and adopt the attached ordinance amending Washoe County Code Chapter 110 (Development Code) within Article 319, Short Term Rentals.

It is further recommended that the Board affirm the following four findings of fact that the Washoe County Planning Commission made on March 1, 2022, as recorded within Resolution Number 22-05 (Attachment C):

1. Consistency with Master Plan. The proposed Development Code amendment is in substantial compliance with the policies and action programs of the Washoe County Master Plan.
2. Promotes the Purpose of the Development Code. The proposed Development Code amendment will not adversely impact the public health, safety or welfare, and will promote the original purposes for the development code as expressed in Article 918, Adoption of Development Code.
3. Response to Changed Conditions. The proposed Development Code amendment responds to changed conditions or further studies that have occurred since the Development Code was adopted by the Board of County Commissioners, and the requested amendment allow for a more desirable utilization of land within the regulatory zones.
4. No Adverse Effects. The proposed Development Code amendment will not adversely affect the implementation of the policies and action programs of the Conservation Element or the Population Element of the Washoe County Master Plan.

If adopted, the Ordinance will be effective on May 20, 2022

POSSIBLE MOTION

Should the Board agree with the recommendation, a possible motion would be:

“Move to adopt Ordinance Bill Number [insert Bill number provided by County Clerk], which is an ordinance amending Washoe County Code Chapter 110 (Development Code), Article 319, Short Term Rentals (STRs) by amending various sections in order to: (1) change the requirements for processing a tier 3 STR application from an administrative permit approved by the Board of Adjustment to a special use permit approved by the Planning Commission; (2) exclude overflow parking spaces in condominium or multi-family complexes in the calculation of required parking spaces; (3) require the STR property owner(s)’ notarized certification to include an attestation that the subject STR property is covered by insurance that provides for a minimum of \$500,000 liability coverage per occurrence; (4) repeal the requirement to submit a certificate of insurance; (5) provide that a bear box is required in the Incline Village General Improvement District’s service territory following two confirmed trash violations; (6) modify the maximum occupancy calculation from one occupant for every 200 square feet of habitable space to two (2) occupants for each legally permitted bedroom, with the remainder of the home (excluding bedrooms) calculated as one occupant for every 200 square feet of habitable space; and all matters necessarily

connected therewith and pertaining thereto; and to affirm the four findings of fact that the Washoe County Planning Commission made on March 1, 2022, as recorded with Resolution Number 22-05 and attached to the staff report for this item.”.

Attachments:

- A. Working Copy of Proposed Ordinance
- B. Clean Copy of Ordinance
- C. Planning Commission Resolution No. 22-05
- D. Planning Commission Staff Report for WDCA22-0001
- E. Planning Commission Minutes from March 1, 2022 Meeting