



WASHOE COUNTY

Integrity Communication Service

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STAFF REPORT

BOARD MEETING DATE: November 12, 2019

DATE: October 11, 2019

TO: Board of County Commissioners

FROM: Kelly Mullin, AICP, Senior Planner, Planning and Building Division, Community Services Department, 328-3608, kmullin@washoecounty.us

THROUGH: Dave Solaro, Arch., P.E., Interim County Manager
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SUBJECT: Discussion and possible action on staff recommendations for the regulation of short-term rentals within unincorporated Washoe County, including either confirming the policy recommendations or providing additional policy direction prior to staff bringing back specific ordinance language. Short-term rentals are a type of temporary lodging of brief duration operated out of private residences such as homes, apartments and condos. They are commonly made available through property management companies and online booking services, and are also referred to as vacation rentals that are generally booked for fewer than 28-days. And, pursuant to Washoe County Code (WCC) Sections 2.030 and 110.818.05, possible action to initiate amendments to Chapter 110 (Development Code), Chapter 25 (Business Licenses, Permits and Regulations) and Chapter 125 (Administrative Enforcement Code) to create the necessary code language to facilitate the Board's policy direction. This includes, but is not limited to, the establishment of definitions, standards, location limitations, occupancy limits, parking requirements, safety/security considerations, signage, noise thresholds, trash/garbage collection rules, insurance requirements, county staffing levels, Tahoe area considerations, permitting requirements, enforcement process, fees, fines, and penalties associated with short-term rentals, as well as the resolution of discrepancies that may arise within existing WCC chapters as a result of any new code language. (All Commission Districts.)

SUMMARY

In response to direction from the Washoe County Board of Commissioners (Board), staff has prepared a series of policy recommendations related to short-term rentals (STRs) in unincorporated Washoe County. The Board is asked to review these recommendations and either confirm them or provide additional policy direction to staff. Following this guidance, staff will draft code language to be considered for adoption through the standard review process.

AGENDA ITEM # _____

Further, pursuant to WCC Sections 2.030 and 110.818.05, the Board is asked to initiate amendments to Chapters 110, 25 and 125 to create the necessary code language to facilitate the Board's policy direction. This includes, but is not limited to, the establishment of definitions, various standards, permitting requirements, enforcement process, fees, fines, and penalties associated with short-term rentals, as well as the resolution of discrepancies that may arise within existing WCC chapters as a result of any new code language.

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

PREVIOUS ACTION

On 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 is 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.

On 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 operated out of private residences such as homes, apartments and condos. They are commonly available through property management companies and online booking services. They are also referred to as vacation rentals and generally booked for fewer than 28-days.

As with other industries affected by the sharing economy, the rise of online advertising platforms such as Airbnb and VRBO has disrupted 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 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.

Current unofficial estimates put the number of STRs in all of unincorporated Washoe County between roughly 500 and 1000 distinct units active at any given time, varying greatly with time of year. The majority of STRs are located in Incline Village/Crystal Bay, and over 90% are estimated to be whole-home rentals. At the high-end, this represents approximately 12.5% of housing stock in Incline Village/Crystal Bay. This is on par with other Tahoe-area jurisdictions, with the Mountain Housing Council estimating that STRs comprise 13.5% of housing stock in the Truckee/North Tahoe region.

Appropriate management of STRs is a complex and controversial issue with no simple solution. Stakeholders represent a variety of perspectives, often at opposite ends of the spectrum. Opinions range from a desire to see STRs completely banned within a community, to believing that they are a fundamental property owner right. At the root of

these starkly different opinions is often the question of whether STRs are a residential use or a commercial use. Staff's research shows that jurisdictions and courts alike have differences of opinion on this matter, and that there is no clear consensus. After extensive research and review of public input, it is Washoe County staff's opinion that answering that question is a matter of thresholds. At lower occupancies, the use may easily be considered residential in nature, but still have characteristics requiring mitigation (as a sort of hybrid residential use). This is because, in general, the impacts on surrounding properties are expected to not be substantially different than if the property were used in the more traditionally long-term residential way. However, at higher occupancies, the impacts (ex. parking, noise, etc.) to neighboring properties are more likely to increase to a level that the use starts to appear less residential and more commercial in nature. In some cases, these impacts may be mitigated through more restrictive standards or conditions of approval. In other cases, they cannot. Some levels of occupancy may be so high that the STR would be inappropriate in residential areas, and more appropriate to be located in commercial areas, especially those that are tourist-oriented.

Most jurisdictions in southern Nevada and around Lake Tahoe have already established or are working to establish standards and a registration/permitting process for STRs in their communities. Due to the relative newness of standards for this type of use, there is limited consensus in how STRs are regulated, with dozens of regulatory options being employed across the U.S. to manage STRs. The most commonly regulated categories deal with quality of life issues such as noise, parking and trash.

The following text provides an overview of the various work that has been completed thus far, outreach that has occurred, and recommendations for the Board to consider. The recommendations include key decision points for action by the Board related to permitting, parking and noise.

Process Overview

Due to the complexity of the issue, staff attempted to craft a methodical approach to recommending standards and a permitting process for short-term rentals. This approach is designed with five distinct phases: (1) Project planning and research; (2) Structured public engagement; (3) Drafting and adoption of standards/processes; (4) Grace period, during which public outreach about the new requirements occurs, and technology/training are put into place to support the program; and (5) Program launch, after which STRs are required to meet standards and have appropriate permits to operate. The project is currently in phase 3 (drafting and adoption of standards/processes). It is also expected that staff will conduct a re-review of standards and fees approximately 12-18 months after program launch in order to assess effectiveness.

Planning, Research and First Steps

Following direction from the Board in late February 2019, a core group of staff within the Community Services Department began conducting research aimed at better understanding the impacts of short-term rentals, possible strategies for addressing those impacts, legal and financial implications, technology innovations to help address community impacts, and the mechanisms that are most commonly used by cities and counties across the U.S.

The parameters and goals of the project were identified early in the planning process. Based on staff's understanding of the Board's direction and a review of successful STR programs around the country, the following guiding principles were established:

- Create simple, fair and enforceable standards for short-term rentals that reflect best practices and address impacts
- Maximize voluntary compliance
- Encourage safe accommodations for visitors
- Balance competing interests
- Establish a cost-neutral fee and fine structure

During the initial research stage, Washoe County also contracted with technology provider Host Compliance to provide three main services related to short-term rentals: address identification (tying online advertisements from dozens of platforms to real addresses); a 24/7 complaint hotline; and, a mobile registration platform. Host Compliance provides short-term rental enforcement assistance to over 200 local jurisdictions across the United States.

Public Outreach and Engagement

A critical component of the project has been to identify the various stakeholder groups and better understand their perspectives on short-term rentals. Generally speaking, these many stakeholders can be grouped into the following major categories: neighbor/community members; short-term rental host and property managers/realtors; traditional lodging industry and business; and impacted regulatory agencies.

These categories are not exhaustive; however, they represent the majority of perspectives heard from so far. There were three major components of the initial public outreach process: (1) small-group, targeted stakeholder input meetings; (2) public workshops; and (3) an online survey.

Stakeholder input sessions: In late July, staff held a series of small-group stakeholder input sessions aimed at getting a better sense of the perspectives and priorities of those within each major stakeholder group. These meetings helped inform the topics and structure of later public workshops. An informal working group of various agencies was also formed in order to better understand concerns and priorities from the regulatory perspective. The working group included representatives from the Sheriff's Office, North Lake Tahoe Fire Protection District, Truckee Meadows Fire Protection District, Reno-Sparks Convention & Visitors Authority (RSCVA), Washoe County Manager's Office, business license program, code enforcement program, planning program, and building program. Staff has had several follow-up meetings with many of these agencies/programs since the original working group meetings, as well as with the Incline Village General Improvement District (IVGID), Washoe County Health District and District Attorney's Office.

Public workshops: In late August, two public workshops were held in Incline Village and one in Reno. There were approximately 250-300+ attendees across the three workshops (some participants attended more than one workshop). These were structured to better understand the priorities and concerns of workshop attendees, and to solicit possible solutions to address these concerns.

Online survey: An online survey was offered as an alternative or supplement to the in-person workshops. The survey was structured similarly to the workshops in terms of asking

participants to identify their top areas of concern related to short-term rentals and future standards/permitting processes, provide additional details about those concerns, and offer possible solutions. There were **569** survey responses. About **70%** of respondents represented a neighbor/community perspective, while about **20%** represented the short-term rental host or property manager perspective.

Public response: Staff's goal during the public outreach process was to identify major concerns of each of the stakeholder groups and, wherever possible, pinpoint areas of overlap. A summary of feedback received via the workshops and online survey has been provided as Attachment C. An analysis of the input received revealed several recurring themes, including:

- Top areas of concern were related to occupancy limits, the permitting process, noise and parking.
- There is general community support for regulating STRs. However, respondents vary drastically on the extent of standards that should be put in place.
- It is critical that regulations established for STRs be enforced.
- Property managers believe their existing rules for the STRs they manage are strict and adequately regulated through their state license.
- Many residents, especially in the Incline Village/Crystal Bay area, believe STRs are commercial businesses operated by non-residents of the community.
- Many hosts believe better renter education will help mitigate existing issues and are concerned that responsible hosts will be penalized for the actions of irresponsible hosts.

RECOMMENDATIONS FOR STR STANDARDS, PROCESSES AND COSTS

Based on the significant research conducted by staff, extensive public input, an analysis of potential regulatory mechanisms and options for Washoe County, staff submits the policy recommendations below for consideration. If the Board accepts the staff recommendations, the next step will be to draft official ordinance language for public comment prior to beginning the public hearing process for code amendments.

General Standards

- Every STR must have a designated 24/7 agent or property manager available through a single phone number who shall respond to complaints/issues within 30 minutes of contact.
- No events or other gatherings (ex. parties, weddings, etc.) are allowed that would exceed the on-site maximum occupancy associated with the short-term rental permit.
- Permittee must be the property owner.
- Limited to one STR per parcel; must be a permanent, habitable dwelling unit (i.e. no RVs/boats). The per-parcel limitation is due, in part, to ensure better enforcement capability.
- STR may be rented to only one group/person at a time (ex. renting out five individual rooms to five separate parties would not be permitted).
- Advertising for a short-term rental prohibited unless valid STR permit has been issued.
- Advertisements must include the Washoe County permit number, room tax license number, maximum occupancy as allowed by the permit, number of bedrooms, number of beds (cannot exceed max occupancy), and number of parking spaces.
- Must comply with all other state, federal and other applicable laws/statutes.
- Existing STRs are not grandfathered; they must apply for and be issued a County STR permit in order to operate.

- Applicable room tax must be paid to the RSCVA.

Permitting

- An STR permit will be considered similar to a privileged license in that revocation can occur without Board action for issues such as non-payment of fees and noncompliance. Any revocations would provide for appropriate and timely administrative appellate review.
- STR permit must be renewed annually. Property owners should be aware that standards are subject to change over time and that there is no guarantee a permit will be renewed.
- On permit application, property owner must certify under penalty of perjury that STR use does not violate CC&Rs or HOA restrictions; inaccuracy may be cause for permit revocation.
- **Three permitting tiers are proposed.** These tiers are intended to recognize that below certain thresholds, and with appropriate standards in place, an STR is expected to reasonably function similarly to other residential uses. However, as occupancy increases, impacts to surrounding properties have the potential to increase. In these cases, further scrutiny may be necessary to determine if the scale of the proposed STR is appropriate on the specific property and if additional mitigation can reduce potential impacts to a reasonable level.
 - **Tier 1:** STRs with a maximum occupancy of 10 persons or less; standard STR permit (*Note:* 10 or fewer is a common break point for uses like group homes and within the International Building Code’s “R” occupancy.)
 - **Tier 2:** STRs with a maximum occupancy of 11-20 persons; discretionary permit required
 - **Tier 3:** STRs with a maximum occupancy of 21 or more persons; acceptable only in areas where hotels/motels allowed; with discretionary permit; requires commercial standards
- If the Board prefers a less restrictive option to consider, collapsing these tiers or adjusting the thresholds are potential options. **The Board is asked to provide specific confirmation of the tiered approach or offer additional direction to staff on this item.**

Parking

Inadequate parking is one of the most frequently cited complaints associated with STRs – both across the nation and in the feedback heard from Washoe County residents. This is especially prevalent in the Incline Village/Crystal Bay area, where on-street parking can be severely limited or nonexistent. In order to reduce potential impacts to neighboring properties, the following parking standards are proposed:

- No STR parking is allowed in the right-of-way.
- One parking space is required for every three proposed occupants.
Note: In a study conducted for the Incline Village General Improvement District, visitors in the winter were found to average approximately 2.5 people per vehicle. In the summer, this average increased to 4 people per vehicle. To better ensure adequate off-street parking, staff recommends that minimum parking standards be more closely aligned with the winter average. This is because parking issues are often exacerbated in the winter due to the need for snow plowing and snow storage. **The Board is asked to specifically confirm this number.**

- All parking spaces must be improved to Washoe County standards (or Tahoe Regional Planning Agency standards, if applicable) and developed on-site, within property boundaries. In multi-unit complexes, parking must be in designated parking spaces (if applicable) and limited to the number of spaces allotted to the unit.

It should be noted that parking may be limited by available TRPA coverage, and that staff's recommendation is that such limitations should not result in standards being waived. Additionally, inability to develop the appropriate number of parking spaces on-site may limit the number of occupants allowed by the STR permit.

Occupancy Limits

Establishing occupancy limits also has the potential to reduce some of the major impacts commonly associated with short-term rentals. Proposed limits are based on the International Code Council's International Property Maintenance Code, which is a well-recognized code generally addressing building safety standards in the United States and across the world. Proposed limits are as follows:

- Bedrooms intended for one occupant must be a minimum of 70 sq. ft. in size.
- Bedrooms intended for two occupants must be a minimum of 100 sq. ft. in size, with an additional 50 sq. ft. required for each additional occupant.
- Other areas proposed for sleeping purposes, such as living rooms, would require a minimum of 200 sq. ft. for each occupant.
- Each of these areas would be required to have minimum safety features in order to qualify. No distinction would be made based on the age of the occupant.
- No distinction would be made between daytime occupancy and nighttime occupancy, as impacts would be expected to be similar.

It should also be noted that occupancy may be further limited by available number of parking spaces, and for properties not on municipal sewer, by the size of the property's septic system.

Safety and Inspections

Washoe County staff has been working with both the North Lake Tahoe Fire Protection District and Truckee Meadows Fire Protection District to discuss fire and life safety concerns associated with STRs. As visitors to a short-term rental are less likely to be familiar with a home than someone living in it, basic fire and life safety minimums are proposed to be required. The following summarizes what has been discussed with the fire districts so far.

- Safety minimums will likely include requirements for adequate smoke/CO detectors; fire extinguishers; adequate egress; well-maintained fireplaces, electrical outlets/systems, hot tubs, deck railings, etc. Additional minimums may be proposed for occupancies over 10.
- Defensible space inspection will be required; to be conducted by the applicable fire agency.
- Basic structure safety inspection will be required; to be conducted by Washoe County building inspectors, with the exception that items such as sprinkler or fire alarm systems (if applicable) would be inspected by fire staff. Inspection must be passed prior to issuance of STR permit.

- Unscheduled inspections may occur if building or fire inspectors have reason to believe occupancy has been exceeded or a life safety issue is present.

External Signage

To ease enforcement, ensure nuisance issues can be more quickly addressed, and help first responders more quickly assess occupancy, the following signage standards are proposed.

- While the STR is being rented, an external sign should be displayed with Washoe County STR permit number, occupancy limit, complaint hotline and local STR agent/property manager contact number.
- No advertising signage permitted.

Noise

Excessive noise, parties and loud music are some of the other most commonly heard complaints associated with short-term rentals. This was also a significant concern noted by County residents at the public workshops and in the online survey. Noise issues can also be one of the most difficult types of complaints to address. Many jurisdictions have established quiet hours for STRs. Opponents argue that if quiet hours are important, they should be established for all members of the community, not just STRs. However, it can also be argued that occupancies of STRs are often higher than that of neighboring residences and that transient guests may not be as familiar with or respectful of community norms associated with noise.

The Washoe County Sheriff's Office has indicated there have been 64 calls for service related to noise in the Incline Village/Crystal Bay area in the past year, with three citations issued. It is understood that there is limited staffing by the Sheriff's Office in the Incline area, and that calls for service related to noise will have a lower priority than many other service types. Although the 24/7 STR complaint hotline by Host Compliance is expected to help with noise impacts, noise is still a concern.

Establishing quiet hours specifically for STRs is recommended by staff. Additionally, due to the difficulty with noise enforcement, staff would like to provide an additional mechanism for consideration. Decibel-monitoring devices are a technology being used by some property managers to ensure their transient guests are respectful of the community. They monitor decibel-levels only; there are no audio recordings. These are also a tool that can be used by a jurisdiction to better track STRs with repeated noise complaints. The City of Henderson recently adopted standards requiring these devices to be used as part of an STR's overall noise management plan. However, there is limited data available on whether they are an effective regulatory mechanism. Staff believes that they may be worth considering for STRs with confirmed noise violations or for Tier 2 and 3 STRs that have higher occupancies. **The Board is asked to specifically confirm whether it would support the establishment of quiet hours for STRs and/or options for the use of decibel-monitoring devices.**

- Quiet hours 10 p.m. – 7 a.m.
- Option to consider: After a second confirmed noise violation or with Tier 2/3 permits - STRs must install decibel-monitoring devices with reporting capability. Records must be available for County review.

Trash

In mid-2017, Incline Village General Improvement District (IVGID) established a zero-tolerance policy related to proper trash disposal in the Incline Village/Crystal Bay area. They patrol to ensure standards are being followed and educate or cite where necessary. IVGID has indicated that since the program started, trash violations have dropped significantly. With that in mind, the following trash standards for STRs are proposed:

- Trash must be managed as prescribed by Health District, Waste Management and IVGID (if applicable). Cart size must be sufficient to store waste for maximum number of occupants each week.
- STRs in IVGID service territory and other bear-prone areas must utilize wildlife-resistant carts and/or bear boxes, except in multi-family developments where HOAs require and enforce regular trash disposal.
- Trash violations confirmed by IVGID count as a violation against the STR and may incur both IVGID penalties and Washoe County STR permit penalties.
- Carts shall only be placed street-side during the timeframes stipulated by the local authority or waste hauler.

Other Standards

A commonly noted concern amongst participants in the workshops and survey was related to liability insurance for STRs, and that most standard homeowner policies do not cover this type of use. It is common for other jurisdictions to require STR-specific liability insurance, and the following additional standards are recommended:

- Certificate of insurance is required identifying that the property is used as a short-term rental and provides \$500,000 minimum liability coverage per occurrence.
- Educational material provided in unit must contain: community evacuation routes; fire safety info (ex. BBQ operation, proper cigarette and ash disposal, community fire danger, etc.); bear awareness brochure (if applicable); noise, trash and parking standards, occupancy limits, etc.

Permit Fees

Staff proposes to establish a cost-neutral fee and fine structure that would ensure implementation and enforcement of the short-term rental program is paid for by those who own and operate STRs, not general taxpayer dollars. Thus, the fee and fine structure would be designed to incorporate costs such as: safety and fire inspections; permit processing and review; Host Compliance software and services; enforcement of non-licensed STRs and violations of STR standards, etc. It is expected that this structure would be reassessed after the first 12-18 months of operation in order to ensure costs are appropriately covered, and to propose adjustments at that time if necessary. *Note: NRS 278.020 provides a governing body general power to regulate land use for purposes of health, safety, morals, and welfare of the community. Included within this authority is the imposition of fees for services to support that regulation, and fines to support its enforcement (NRS 237.060).*

Enforcement, Fines and Penalties

A three-pronged approach to enforcement is proposed:

- Licensing: Proactively identify unlicensed STRs and pursue licensing compliance; cite, fine and, if necessary, lien non-compliant property owners who continue to operate an

STR without the appropriate permit in place. It should be noted that this approach is a departure from current complaint-based code enforcement practices; however, it is considered a necessary component of a successful STR program.

- Inspections: Required upon initial permit application and annually thereafter. Safety minimums must be in place in order to obtain license and operate.
- Operational: Confirmed violations will result in fines and potential penalties such as permit revocation. 24/7 complaint hotline (via Host Compliance) will log citizen-initiated complaints and immediately contact STR manager for resolution.

Research related to STRs has made it very clear that fines and penalties must be significant enough to deter violations; otherwise, it may just be considered the cost of doing business for an operator. Washoe County's current code enforcement approach for land use violations is focused more on achieving compliance rather than penalizing the property owner. Therefore, current fines for Development Code violations are set relatively low and are considered to be insufficient to deter STR violations. Therefore, staff proposes the following:

- Fines to be based on a scaled system that increases as average nightly rate increases.
- Fines not paid will become liens against the property.
- More than three confirmed separate violations in any six-month period will result in permit revocation and a 12-month cooling off period where the property is ineligible to obtain a STR permit and operate a short-term rental.
- To increase program effectiveness and reduce time leading to compliance, STRs subject to revocation will be reviewed by Director; no Board action required.
- Staff proposes to establish a mechanism for appeals that has a faster turn-around than the current code enforcement process.

Other Items for Consideration

There are a number of other items the Board may wish to be aware of during their consideration of this topic.

Staffing Needs

At least one additional code enforcement staff member is expected to be needed to assist with implementation and enforcement of the program. Standard building safety inspections will be conducted by existing Washoe County Building Inspectors. Fire inspectors from the applicable fire district are anticipated to inspect defensible space and, if applicable, smoke alarm and/or sprinkler systems. The cost of such inspections will be paid for by the STR applicant. Host Compliance's services will be used for matching advertisements to real addresses, the 24/7 complaint hotline and establishment of the mobile registration platform.

Room Tax

The Reno-Sparks Convention and Visitors Authority (RSCVA) requires hosts of STRs to obtain a transient lodging tax (aka room tax) license. 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 1/13th 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 1/13th of that amount, which is

approximately \$125,000 annually. The amount the County receives from STRs outside of the Incline area is negligible. Room tax distributed to Washoe County goes into the General Fund.

As part of this project, staff will be investigating opportunities to reduce potential overlap in the permitting processes between the two organizations.

Tahoe Regional Planning Agency (TRPA)

TRPA is currently in the process of establishing a list of regulatory options for jurisdictions to apply to STRs in order to meet TRPA goals and policies. These will be considered a third criterion in TRPA's scoring system for awarding residential allocations to jurisdictions around Lake Tahoe. The focus is largely on locational, operational and enforcement parameters. It is expected that TRPA's governing board will review and potentially adopt these standards in fall 2019. Washoe County has been actively involved in these conversations with TRPA. County staff's recommendations for STRs are expected to meet many of the parameters laid out by TRPA.

Demographics

With the highest concentration of STRs located in the Incline Village/Crystal Bay portion of Washoe County, there has been some interest in the demographics of that area. The following information was pulled from 2013-2017 American Community Survey 5-Year Estimates for zip code 89451, which represents most, but not all of the area. This information is provided to paint a general picture only. There are approximately 7,800 dwelling units, with approximately 52% of them single-family detached homes. The area is characterized by a large contingent of second homes, and just under 53% of the dwelling units are classified by the U.S. Census Bureau as vacant. Slightly more than 34% of the homes are owner-occupied. 75% of the homes were built prior to 1990. The average household size of owner-occupied homes is 2.08. The average household size of long-term renter-occupied homes is 3.02. Approximately 74% of residents moved into their home in the year 2000 or later. Just under 93% of the homes have four bedrooms or fewer.

Standards for Incline Village/Crystal Bay vs. Rest of Washoe County

It is important to note that many residents in the Incline Village/Crystal Bay area requested that STR standards within the Tahoe Basin be different than those in the rest of Washoe County. Generally speaking, the majority of STRs in the County are located in Incline Village/Crystal Bay and therefore most recommendations were drafted with that area primarily in mind, recognizing that some regional adjustments will need to be addressed once code language is drafted. These will account for items such as wildlife-resistant carts in bear-prone areas, variations in defensible space requirements/inspections, and TRPA parking standards.

FISCAL IMPACT

Specific fiscal impact associated with direction from the Board will be defined in future staff reports for Board action. Direction at this time will result in the use of additional staff time to create proper ordinances. This item is a priority item of Commissioner Berkgigler, is linked to the Economic Impact strategic goal, and has been factored into the current work plan.

RECOMMENDATION

It is recommended the Board either confirm staff's recommendations or provide additional policy direction for the regulation of short-term rentals within unincorporated Washoe County, with specific direction provided on staff's proposals related to permitting tiers, ratio of occupants to parking spaces, quiet hours, and the use of decibel-monitoring devices in certain circumstances.

And, pursuant to WCC Sections 2.030 and 110.818.05, it is recommended the Board initiate amendments to Chapters 110, 25 and 125 to create the necessary code language to facilitate the Board's policy direction. This includes, but is not limited to, the categories listed in the possible motion below.

POSSIBLE MOTION

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

"Move to confirm staff's recommendations or provide the following additional policy direction for the regulation of short-term rentals within unincorporated Washoe County: [... *provide specific direction* ...]. Regarding staff's proposals related to permitting tiers, ratio of occupants to parking spaces, quiet hours, and the use of decibel-monitoring devices in certain circumstances, I move that direction should be [... *provide specific direction* ...]."

"And, pursuant to Washoe County Code (WCC) Sections 2.030 and 110.818.05, further move to initiate amendments to Chapter 110 (Development Code), Chapter 25 (Business Licenses, Permits and Regulations) and Chapter 125 (Administrative Enforcement Code) to create the necessary code language to facilitate the Board's policy direction. This includes, but is not limited to, the establishment of definitions, standards, location limitations, occupancy limits, parking requirements, safety/security considerations, signage, noise thresholds, trash/garbage collection rules, insurance requirements, county staffing levels, Tahoe area considerations, permitting requirements, enforcement process, fees, fines, and penalties associated with short-term rentals, as well as the resolution of discrepancies that may arise within existing WCC chapters as a result of any new code language."

Attachments:

- A. Feb. 26, 2019 BCC staff report seeking policy direction on short-term rentals
- B. Excerpt of Feb. 26, 2019 BCC meeting minutes
- C. Summary report of feedback from public workshops and online survey
- D. Full text of online survey responses available online at <https://bit.ly/32wj5iB>
- E. Additional public comment received
- F. Letter from Interim County Manager requesting code amendments
- G. Short-term rental FAQs