

**Proposed Anti-Vacation Home Rental (VHR) Ordinance**  
**June 16, 2015 - 9:00 AM Hearing Before South Lake Tahoe City Council**



**About the Ordinance:**

- Requires owners who want to rent their own home to have a short-term (vacation) rental permit. Every permit terminates upon sale of the property.
- Requires the City to notify all owners of neighboring properties when a vacation rental permit application is received, and allows neighbors to oppose the application for any reason.
- The short-term rental application review process has no standards, and could take up to 6 months without any guarantees of approval.
- Mandatory inspections of all properties will be conducted annually to determine code compliance, costing homeowners unnecessary fees and resulting in an intrusive process.

**REALTOR® Talking Points:**

- The City benefits from being a top vacation destination for people all over the state, and around the world. This proposal threatens that important economic driver, and should therefore be closely studied.

The proposed ordinance's impact on the SLT economy could have a devastating impact on property owners, businesses and employees. The new restrictions will: 1) increase costs for current property owners to meet ADA and building code improvements and; 2) prevent owners from being able to obtain vacation rental permits.

- The ripple effect of the proposed restrictions will result in higher costs and fewer vacation rental permits =
  - Fewer people vacationing in the SLT;
  - Fewer vacationers spending money in SLT (i.e. buying groceries, renting/buying sports equipment and dining)
  - Lower property values due to uncertainty of and delays in receiving a vacation rental permit.
- Many vacation rental property owners buy SLT properties to both live in and periodically rent out. Those who cannot obtain a short-term rental permit will likely sell at reduced prices. Many prospective buyers will be dissuaded from purchasing SLT property for this very reason.
- The City recently adopted a number of new restrictions regarding vacation rentals, including occupancy limits, fees, fines, permit revocation, and the hiring of new officers to enforce these new laws. REALTORS® did not oppose these new restrictions, because like others in the community, we understood and agreed with the policy and purpose. We also support increased enforcement to control nuisances in ALL residential properties.
  - We urge the council to wait to see how effective these new laws will be before adopting new and further restrictions on vacation rentals.
- The City reports that it wants to reach out to the academic community and study vacation rentals in SLT. We encourage the City to fund that study because we believe it will show the extent to which businesses and employees depend on a healthy and vibrant vacation rental industry.
- Statistically:
  - ONLY 27%, or 163 out of 757 nuisance complaints submitted to the City last year were due to dwellings that were rented on a short-term basis.
  - 72% of all single-family homes in the City are non-owner occupied.
  - 87% of all SLT single-family homes sales from 1/1/14 to 5/1/15 were non-owner occupied properties.
- SLT is different from communities like Santa Monica, Sonoma, and Carmel that have clamped down vacation or short-term rentals. Santa Monica, for example, is a rent control city with large renter and homeowner population, offers fewer vacation rental properties in relationship to homeowner/renter populations and have provided much higher use of every short-term rental. SLT on the hand is an incredibly beautiful international vacation destination. All of us share the responsibility to promote, sustain and maintain Lake Tahoe.
- We ask the City to establish a working group comprised of all stakeholders to work together instead of apart.

To contact City Council, submit comments at [www.SpeakUpSLT.org](http://www.SpeakUpSLT.org) or call the City Clerk at 530.542.6004

For More Information visit: [www.KeepTahoeVacationRentals.com](http://www.KeepTahoeVacationRentals.com)

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