

Vacation Home Rental Ad Hoc Committee

Summary of Efforts and Recommendations

July 19, 2018

EXECUTIVE SUMMARY

The recent increase in the number of short-term rental units in El Dorado County and their potential effects on residential neighborhoods and housing supply has led to discussion on how the use should be regulated. Short-term rentals consist of (1) hosted rentals or home-sharing, where the owner or manager is present and the unit is "shared," in whole or part, and (2) Vacation Home Rentals (VHRs), where the full unit is rented to paying guests. With the direction of the Board of Supervisors, the Vacation Home Rental Ad Hoc Committee began working with staff to conduct research and public outreach. This report summarizes the public outreach effort and the analysis, and provides draft regulations for the Board's consideration.

Supporters of short-term rentals credit them with providing financial assistance during difficult financial times (the average short-term rental income for hosts using Airbnb is \$8,000 across California), and enable travelers to find a less expensive alternative to a hotel. They also argue that short-term rental guests end up staying longer and spending more money in the communities in which they stay. Critics argue that short-term rentals adversely impact neighborhood character, reduce long-term housing options, increase rents, skirt regulations (e.g. health and safety inspections), and potentially harm hospitality industry jobs and wages.

The proposed regulations were developed after conducting 11 community meetings to receive feedback on the issues. Those in favor and those opposed to the activity attended the meetings. The draft regulations establish a process for allowing certain types of short-term rental activity while balancing the need to ensure there are not negative impacts to residential neighborhoods. Specifically, the proposed regulations would:

1. Limit overnight occupancy to 12, regardless of the number of bedrooms or the size of the home. The conditional use permit process would allow for additional requirements to be placed on larger homes to help mitigate their impacts on neighborhoods.
2. Establish quiet hours of 10:00 p.m.-8:00 a.m. The committee also recommends equipping enforcement staff with decibel meters to enforce this provision.
3. Impose penalties for violations on the entity directly responsible for the violation.

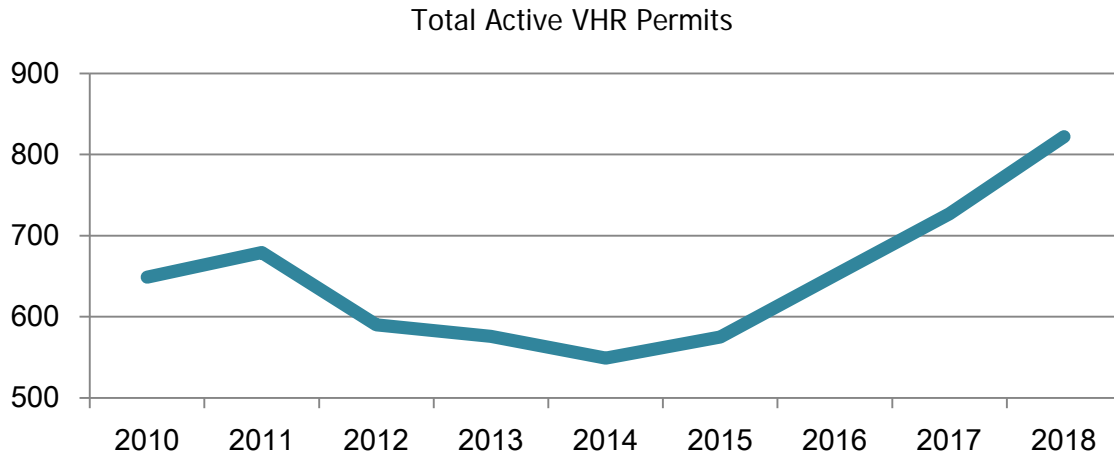
4. Include fire and life safety requirements. Each VHR would be inspected for compliance with the ordinance prior to permit issuance, and again annually prior to renewal of the permit.
5. Require owners and managers to take an online course and test covering VHR rules as part of the VHR permit application process.
6. Require notification to neighboring residents of VHR permits issued.
7. Limit the number of VHR permits to 900 in the unincorporated area of the Lake Tahoe Basin. The cap would not apply to the unincorporated area outside the Tahoe Basin, nor would it apply to hosted rentals or homestays, as these are not included in the definition of VHR.
8. Establish penalties for operating a VHR without a permit. It is recommended that the current monetary penalties for other violations be applied to operating a non-permitted VHR, with each day of operation counting as a separate violation.

BACKGROUND

Vacation Home Rentals have increased in accessibility and popularity with the arrival of websites such as Craigslist, Vacation Rentals by Owner (VRBO), and Airbnb. More recently, mainstream tourist websites like Expedia and Hotels.com have also begun advertising vacation rentals, increasing the reach of these listings.

Chapter 5.56 - Vacation Home Rentals in the Lake Tahoe Basin, was first enacted in 1997 to regulate VHRs in the Tahoe Area. As defined in the ordinance, "Vacation home rental means one or more dwelling units, including either a single-family, home, duplex or single condominium unit rented for the purpose of overnight lodging for a period of not less than one night and not more than 30 days other than ongoing month-to-month tenancy granted to the same renter for the same unit." Because the Tahoe Basin receives a high number of tourists throughout the year, the purpose of the ordinance was to continue allowing VHRs to benefit the community by expanding available lodging facilities and proving revenue for home owners, while preventing and mitigating complaints of excessive noise, disorderly conduct, and other impacts on residential neighborhoods.

As short-term rentals have experienced their rapid growth over the past few years, El Dorado County, like many other counties, has had to react to the demand for the activity. El Dorado County has experienced growth in the short-term rental market.



As of June 2018, 822 permits were active in the Lake Tahoe Basin, an increase of 13% from the previous year. In addition, the permitted rental listings do not represent the total number, as many listings are unpermitted.

BENEFITS OF SHORT-TERM RENTALS

Those in favor of VHRs argue that rentals bring significant benefits to those who operate them, as well as their visitors. Hosts may vary from students to young professionals to empty-nesters. Guests vary from vacationing families to relocating professionals to foreign travelers. Their reasons for hosting or renting are just as varied; however, there are several common themes.

Host Perspective

Vacation Home Rentals make efficient use of a space by hosting guests in a unit or room when that unit or room might otherwise go unused. Many hosts have used short-term rentals as a way to help afford their own homes, recover from the loss of a job or health issue, and have meaningful culturally enriching interactions with visitors from around the world. Given the affordability challenges occurring in the region, VHRs may help to offset the housing cost burden. In El Dorado County, many VHR owners attribute rentals as allowing them to own and maintain a vacation home, while preventing the home from sitting vacant when not in use by the owner or their friends and family. Airbnb, the largest home-sharing platform, recently published statistics claiming nearly 23% of their hosts reported that the extra income helped prevent them from losing their home to foreclosure or eviction.

Guest Perspective

For guests, short-rentals often represent a more affordable and flexible option. Many travelers indicate a preference for a residential environment and sole access to the amenities provided as part of the guest space (pool, spa, outdoor grill or patio, kitchen and eating areas, etc.), in lieu of a hotel or motel where these amenities are not available or are shared amongst guests.

Rental homes can also provide the space necessary to accommodate a whole family in one home, sometime for much less cost than several hotel rooms. Additionally, many travelers enjoy being a part of a local neighborhood as opposed to a typical commercial district. Individuals relocating to new cities or areas often cite home-sharing as an opportunity to "try out" different neighborhoods or communities prior to making a rental or homeownership decision. Also, in El Dorado County in particular, VHRs provide an option for accommodations in areas where there are few other lodging options.

Economic Development

For some areas, short-term rentals present potential economic benefits, either directly through taxes on hosting or indirectly through increased tourist spending. By filling up spare bedrooms, hosts are maximizing the economic potential of their homes. Besides the direct money coming from the short-term rentals, visitors can provide spin-off benefits to the local business community.

Collection of Transient Occupancy Tax

The collection of transient occupancy tax (TOT) is an important aspect of regulating the short-term rental market. This 10% tax applies to both hosted rentals and non-hosted VHRs, which supply tax revenue to El Dorado County annually. With an increase in the number of VHRs, TOT revenue has also increased. However, annual revenues are not likely to be reflective of the full magnitude of El Dorado County's TOT revenue potential from short-term rentals due to the number of unpermitted VHRs and rentals operating without TOT registration.

Effective August 1, 2018, Airbnb began collecting and remitting TOT for rentals in El Dorado County, which has been shown to increase tax compliance from hosts using this particular platform. Globally, the Airbnb community has contributed \$175 million in additional tax revenue to more than 220 jurisdictions.

CONCERNS WITH SHORT-TERM RENTALS

Concerns regarding short-term rentals are common and generally fall into one of three categories: nuisance activity, impacts on existing housing stock, and consistency with residential use and character.

Nuisance Issues

Short-term rentals can be the subject of nuisance complaints involving loud noise, parties, trash, fighting, inconsiderate guests, inadequate parking, excessive coming and going, as well as the commercial use of residential properties for private events. Some have suggested that VHRs where the host is not on-site during the entire length of stay foster situations where the host is difficult to contact, unwilling or unable to remedy problems, or may even be actively

hostile to complaints. For neighbors, this can sometimes result in issues that could have been dealt with personally now resulting in a complaint to the Sheriff.

Commercialization and Loss of Residential Character

One criticism of VHRs is that they could effectively result in the commercialization of residential neighborhoods. When used for home-sharing, the home maintains its residential qualities, such as sleeping, eating, etc. A primary purpose of the proposed regulations will be to ensure that VHRs do not adversely affect the character of residential neighborhoods.

Some neighbors of short-term rentals feel that these activities have resulted in the loss of stable residential character as their long-term neighbors are increasingly replaced by short-term guests. Residents may feel their neighborhood character is compromised as the home next door evolves into a "hotel", as its demand as a short-term rental increases. And while supporters of short-term rentals argue that hosting platforms advertise their units by the maximum number of guests in an effort to protect hosts from unwanted guests (e.g. bachelor party or private event), critics argue that some hosting platforms or listings advertise specific to these situations or guests as a way of maximizing profits, with the potential for nuisance issues and loss of neighborhood character being realized weekend after weekend.

Impact on Housing Stock

Some have expressed concern regarding the potential impact of short-term rentals on the housing stock. Concerns for the Tahoe Basin specifically are related to the use of housing stock for VHRs, which allow the owner to continue to use their vacation home while generating some income from short-term renters, but which leads to a higher vacancy rate for homes and a lack of long-term rental housing. The U.S. Census Bureau reports that the vacancy rate in the South Lake Tahoe area of the County is approximately 55% due to the abundance of vacation homes. Technology has allowed for the easy pairing of hosts and guests, leading to a situation where long-term rents are under pressure as the regular rental market increasingly competes with the short-term market.

Enforcement

Many communities have noted difficulties enforcing short-term rental regulations, as well as licensing short-term rentals where the use has been legalized. The number of short-term rental websites, listings that are constantly being added, modified, or removed, and limited access to information about the units themselves contribute to the difficulty. Another primary purpose of changes to the ordinance centers on the ability to enforce regulations. Ideally, regulations will be structured to be self-enforceable wherever possible (for example, no permit can be issued without certain submittal requirements).

VACATION HOME RENTAL AD HOC COMMITTEE

In September 2017, the Board of Supervisors designated an ad hoc committee, consisting of Supervisors Ranalli and Novasel, to study the issues related to VHRs and make recommendations for improved regulations and enforcement. The Board of Supervisors has adopted a first round of revisions to the ordinance, which took effect early July 2018. A summary of the initial "Round One" changes are as follows:

1. Restructure Violation and Penalty Provisions. This included removal of language a "warning" and an increase in the cost of penalties
1. Clarify Language throughout Ordinance to reduce subjectivity, for example the requirement that owners use "best efforts"
2. Require Exterior Signage, to include the owner or manager's contact information, County VHR Permit number, and number of allowed occupants and vehicles
3. Cap Number of Occupants during Quiet Hours, from 10:00 p.m. to 8:00 a.m.
4. Apply Ordinance Countywide, in order to require permits for the west slope, and with a grace period for west slope VHR with a current business license to comply with the ordinance
5. Require Inspections prior to Permit Issuance to ensure compliance with ordinance and permit conditions
6. Revisions to the requirement for Bear-Proof Trash Receptacles to refer to revised Public Health and Safety ordinance language requiring "bear boxes" for all areas in the Tahoe Basin.

It was recognized that these changes were important for addressing some of the immediate issues with the ordinance, but that there should be further work conducting research and meeting with the public in order to address the specific needs of the community in El Dorado County. Following early meetings with the public and considering public feedback, the Ad Hoc Committee identified a work plan to guide the effort, which began with a central goal:

Set of modernized policies and enforcement methods that retain the benefits of VHRs, prevents or mitigates the impact on neighborhoods, and minimizes their impact on public services.

Under this framework, two objectives were identified:

- 1) Improve neighborhood compatibility

2) Avoid Overconcentration of VHRs and Commercialization of neighborhoods

At the direction of the Ad Hoc Committee, staff worked to analyze feedback from the public outreach efforts, the specific issues in El Dorado County, and compile research on strategies that are most effective in reducing VHR-related issues.

BENCHMARKING

Many cities and counties are dealing with similar issues related to short-term or vacation rentals, and several have adopted regulations on short-term rentals in the last few years. While approaches and outcomes vary, there are several lessons learned from the experience in other cities. Some cities have chosen to ban the practice completely, declaring the activity incompatible with existing land use patterns and neighborhood character. Other cities have embraced the practice largely without restrictions. Most communities are opting for a hybrid approach.

The Ad Hoc Committee sought to use data from similar cities and counties as benchmarks in order to examine policies that help to meet the goal and objectives. The jurisdictions were chosen based on similarities to El Dorado County in terms of in geographic area, terrain, size, and economy.

The list of comparator counties and cities were as follows:

- Napa County
- County of Sonoma
- Monterey County
- County of Riverside
- Santa Barbara County
- Marin County
- San Luis Obispo County
- Placer County
- Mono County
- Mendocino County
- Douglas County, NV
- City of South Lake Tahoe
- City of Palm Springs
- City of Palm Desert
- City of Napa
- City of Healdsburg
- City of Santa Barbara

The following table summarizes the Ad Hoc Committee's findings on policies and enforcement mechanisms for reducing nuisance issues such as noise, parking, traffic, and safety hazards.

Policy Option	Benchmarking Cities and Counties		
Prohibit Events	No Regulations: 12 Cities/Counties	Event or Use Permit: 3 Cities/Counties	Prohibited in all VHRs: 2 Cities/Counties
Quiet Hours	No regulations: 10 Cities/Counties	Hours of the day (e.g. 10p – 8a): 6 Cities/Counties	No amplified noise at any time: 1 City
Reduce total # of overnight guests	No regulations: 7 Cities/Counties	Limited based on number of rooms/parking spaces: 9 Cities/Counties	Absolute max (e.g. 10): 2 Cities/Counties *
Owner/manager contact located nearby (e.g. within 30 miles of rental)	No local contact Regulations: 9 Cities/Counties	Able to respond within amount of time: 5 Cities/Counties	Requires “local” contact: 3 Cities/Counties
Fines to owner and occupant for violations	No specific fines for VHRs: 6 Cities/Counties	Fines, but not specific who is to pay: 10	Fines to owner and renter: 1 City
Notification of permit to surrounding residents	No regulations: 8 Cities/Counties	Sent to surrounding neighbors w/in a certain radius: 9 cities/counties	Notice in newspaper: 1 County
Limit # of vehicles for VHRs	No Regulations: 11 Cities/Counties	Determined based on occupancy: 3 Cities/Counties	Determined based on site/per permit: 3 Cities/Counties
Parking on-site only	No regulations: 6 Cities/Counties	On-site or in designated areas: 5 Cities/Counties	On-site only: 6 Cities/Counties
Require fire and life safety measures (i.e. fire extinguisher, CO detector, smoke detector)	No regulations: 9 Cities/Counties	Measures required: 7 Cities/Counties	Inspections for health/safety annually: 1 City
Require in-person “check-in” with Renters	No regulations: 13 Cities/Counties	Signed rental agreement required: 4 Cities/Counties	In-person check-in: 2 Cities/Counties
Inspection for new VHRs and upon renewal of permit	No regulations: 10 Cities/Counties	Inspection for new permit only: 5 Cities/Counties	Inspections for health/safety annually: 2 Cities
VHR Owner/Manager Certification	No regulations: 10 Cities/Counties	Required: 3 Cities/Counties	

In addition to regulatory measures to reduce nuisance or safety issues, staff looked at the ways that these benchmark communities have regulated the total number, location, or types of short-term rentals. Several jurisdictions regulate VHRs, but not the number or concentration of them, including Riverside County, Douglas County, NV, and the City of Palm Springs. Three Counties (Marin County, Placer County, and Mendocino County), as well as the City of Placerville, do not regulate VHRs or only collect Transient Occupancy Tax (Hotel/Motel Tax). Napa County, the City of Healdsburg, and the City of Santa Barbara have prohibited VHRs in residential zones. The remaining communities use some sort of limit to the number of rentals, the types, or the location.

The City of South Lake Tahoe established a Tourist Core Area, which the city states is the “center of tourist services and recreation access...and has traditionally been the area with the highest concentration of services and density,” and which allows VHRs with no cap. South Lake Tahoe has a cap of 1,400 Vacation Home Rentals (outside of the Tourist Core Area), which require an inspection. There is a waitlist for those wanting a new VHR permit.

Santa Barbara County allows hosted rentals only. Previously, VHRs or short-term rentals were not allowed in residential zones. In May, the County proposed limiting hosted rentals or “homestays” in legal residential dwellings (but not in guesthouses). There is one exception: a small area near Miramar Beach. The Coastal Commission required that that the County allow homestays, which would require a Use Permit and a Coastal Development permit.

San Luis Obispo County requires separation distances between VHRs. Inland areas have no restrictions on numbers or concentration, and only a business license is required. However, in Coastal areas of the County, a zoning clearance or minor use permit is required. The coastal communities of Cambria, Cayucos, and Avila Beach have a “Location Standard”:

- Cambria: VHRs may not be located within 200’ of another VHR hotel, motel, or B&B on the same street, or within a 150’ radius
- Cayucos: VHRs may not be located within 100’ of another VHR hotel, motel, or B&B on the same street, or within a 50’ radius
- Avila Beach: VHRs may not be located within a 50 foot radius of another VHR hotel, motel, or B&B

Sonoma County has adopted an Exclusion Overlay Zone near the city of Sonoma and in other higher-density areas. In the Vacation Rental Exclusion (X) Combining District, existing legally permitted vacation rentals may continue but those permits will expire upon sale or transfer of the property. Hosted rentals may still be conducted in these areas – they have a different ordinance for these. Both hosted and non-hosted rentals require a permit.

Mono County allows rentals where the owner occupies the premises and is present during vacation rentals only. Owners must obtain a use permit from the Planning Commission for this purpose. A moratorium on “Type II” rentals, where owners do not occupy the property,

was enacted to allow for additional public outreach. No VHRs are allowed in the June Lake area, as an Area Plan is currently being updated for this area

The City of Napa has a cap for both hosted and non-hosted VHRs: Non-Hosted rentals are capped at 41; hosted are capped at 60. The non-hosted VHRs can only be transferred to new homeowners through a transfer process, which must be initiated prior to the sale. Accessory dwelling ("Mother-in-law") units may not be used as a VHR. There is a waitlist for those wanting a new VHR permit, and no new applications are being accepted at this time.

The City of Palm Desert has a limited ban on VHRs. Previously, the City instituted some noise, parking, and other regulations on vacation rentals. A new ordinance prohibits new VHRs in single-family residential zones beginning January 1, 2020, and no new VHR permits are being issued in these zones. Small pockets of residential area that are higher-density (and nearer commercial areas) will continue to be able to operate VHRs.

At the direction of the Ad Hoc Committee, staff worked to analyze feedback from the public outreach efforts, the specific issues in El Dorado County, and the compilation of research on strategies that are most effective in reducing VHR-related issues as well as enforceable.

OUTREACH

The Ad Hoc Committee engaged the public, including conducting a series of community meetings, in order to fully understand the community's position and concerns and to gain as much public feedback as possible. A summary of the outreach efforts during this period is as follows:

February 1, 2018

The Board of Supervisors held a public meeting regarding short-term rentals and was presented with information on the scale of short-term rental activity in El Dorado County, as well as preliminary changes to the existing ordinance.

An outreach activity invited meeting attendees to "vote" for their opinions on the most important benefits of VHRs and the most pressing problems with VHRs. Names and contact information were also collected in order to keep interested community members up-to-date on VHR-related meetings and news. This meeting was cancelled due to overcapacity of the building, and the Board action items were rescheduled several times due to inclement weather.

February 12

The Ad Hoc Committee met with the public for the first time at the California Conservation Corps Tahoe Center in the South Lake Tahoe area. At this first meeting, the staff reviewed the first set of changes to the VHR Ordinance. The Committee also reviewed the feedback on the most important benefits of VHRs and the most pressing problems. Public comment cards were available for those wishing to leave written comments, and the Committee also heard spoken public comment from the public. The feedback from the meeting indicated that a balanced

approach was needed moving forward. Additionally, the urgency of the problem set the committee on an accelerated timeline.

April 5, 2018

A Survey Monkey questionnaire was released to gain a better understanding of specific “nuisance” issues caused by VHRs, including noise, parking, and traffic. The questionnaire was sent to our contacts from the sign-in sheets from previous meetings and posted on social media outlets. It should be noted that these results are not statistically significant, and do not necessarily indicate the perspective of the community as a whole. Results were presented at two different Ad Hoc Committee meetings based on the topics for those meetings.

April 12, 2018

The subject of this meeting centered on the topic that the “dot exercise” participants indicated on February 2, 2018 was the most pressing problem: noise.

The April 5, 2018 Survey Monkey questionnaire results were as follows:

- Approximately half of responses were from those in the Lake Tahoe Basin area of the County
- About 47% said they live in the City of South Lake Tahoe
- 82% said they are residents, about 18% said they are VHR owners, and 8% property owners
- We asked: What types of noise sources have been nuisances for you?
 - Respondents were split between loud music, loud voices, and car noise/door slamming
 - “loud voices” had the most responses
- We asked: what time of day is noise due to Vacation Home Rental tourists an issue?
 - 10pm to 2am was the time period that got the most responses
 - Approximately 40% said that noise is never an issue

A review of these jurisdictions’ VHR regulations that would reduce noise (as shown in the matrix above) led to several options for the Ad Hoc Committee to consider. The options included both potential policies and potential enforcement mechanisms. For each option, participants were asked to contribute to a public list of the pros and cons for each. The options were as follows:

Policy Options

- ▶ Quiet Hours for all activities
- ▶ Prohibit Events at VHRs

- ▶ Reduce total # of Overnight Guests

Enforcement Options

- ▶ 24/7 contact located nearby (e.g. within 30 miles of rental)
- ▶ Fines to owner and occupant for violations
- ▶ Notification to surrounding residents

This framework was used at Ad Hoc meetings going forward in order to systematically review and garner feedback on various issues related to VHRs.

April 23, 2018

This Ad Hoc Committee public meeting was held in Placerville in the Board of Supervisors' Chambers. The purpose was to review the committee's work so far, much of which was focused in the Tahoe Basin, and to bring the rest of the County into the discussion. Staff and the Supervisors discussed the changes to the ordinance, including the expansion of permitting requirements to the West Slope of the County.

May 2, 2018

The full Board of Supervisors met on this date at South Tahoe Middle School, to consider the first round of conceptual ordinance revisions, which had been originally scheduled for February 1, 2018. At this meeting, all concepts were approved, with additional direction to reduce the required response time for Local Contact Person from 60 minutes to 30 minutes.

May 9, 2018

This Ad Hoc Committee public meeting was held at the Lake Tahoe Environmental Science Magnet School. The purpose was to review the results of the April 12, 2018 committee meeting, and to discuss potential policies and potential enforcement mechanisms for nuisance issues other than noise.

The April 5, 2018 Survey Monkey questionnaire results on parking, traffic, safety, and trespassing were as follows:

- We asked: What specific parking and traffic issues have been a nuisance for you?
 - Over 50% of respondents indicated that they had not witnessed parking or traffic issues specifically associated with VHRs
 - Speeding and traffic congestion were the two most selected options
 - Parking in "No Parking" areas was the third most selected with 44 responses (20%)
 - The option "I can't find parking due to VHRs" received the fewest at 7 responses (3%)

- We asked: Which specific trash issues are associated with VHRs?
 - Bear/animal issues was the most-selected option at 105 responses or 54%
 - “Litter near VHRs in my neighborhood” and “other” were about equal with 40% response rates—many commenting on their “other” selection indicated that there are no issues with trash, or that problems are caused by residents, too.

- We asked: What issues have you noticed with regard to VHR owners trespassing on your property?
 - 71% of responses indicated “No Issues” with trespassing
 - “VHR guests walk through my property” was 2nd in responses with 44 total responses or 21%

- We asked: Safety issues have been identified for VHRs. Which of these are you concerned about?
 - “House fires” was the most-chosen response at 55%, or 60 total responses
 - “Defensible space maintenance” was a close second with 53% or 58 total responses
 - “Unsafe structures” received 36 responses or 30%
 - “Carbon monoxide/fumes” received 17% or 18 responses.

Just as was done for the noise topic, for each option, participants were asked to contribute to a public list of the pros and cons for each. The options were as follows:

Policy Options

- Limit # of vehicles for VHRs
- Require fire and life safety measures (i.e. fire extinguisher, CO detector, smoke detector)

Enforcement Options

- Require in-person “check-in” with Renters
- Inspection for new VHRs and upon renewal of permit
- Owner/Manager Certification

June 6, 2018

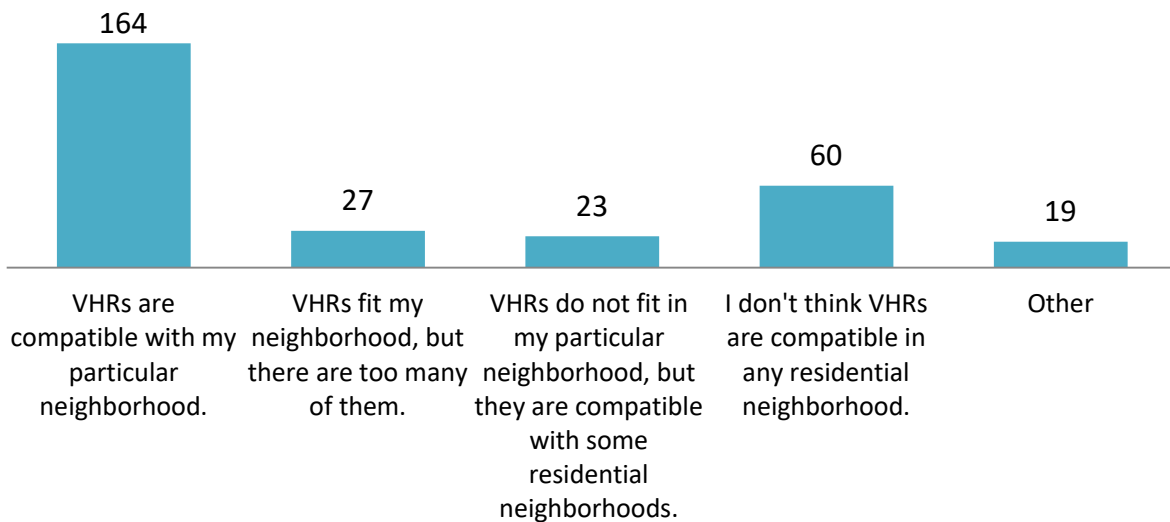
A second Survey Monkey questionnaire was released to the public and the mailing list in order to gauge the community's interest in limiting the number or concentration of VHRs. This questionnaire, too, was sent to our contacts from the sign-in sheets from previous meetings and posted on social media outlets. Like the first questionnaire, the results are not statistically significant, and do not necessarily indicate the perspective of the community as a whole. Results were presented at the June 11, 2018 Ad Hoc Committee meeting.

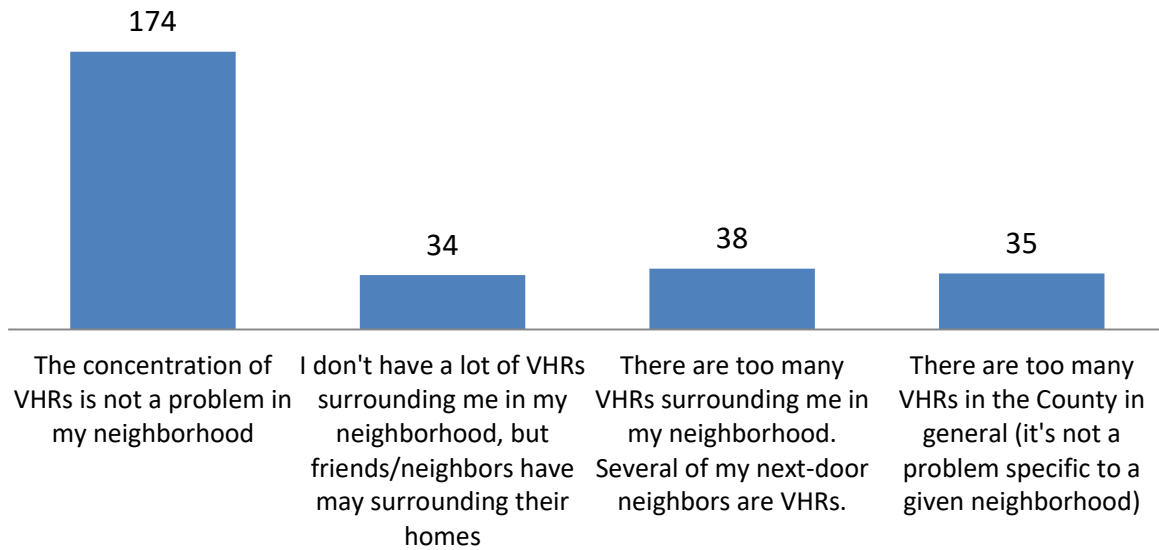
June 11, 2018

At this Ad Hoc Committee meeting, the topic for discussion was limits to location and number of VHRs. For these policy options, staff reviewed the benchmark communities and presented case studies (mentioned above).

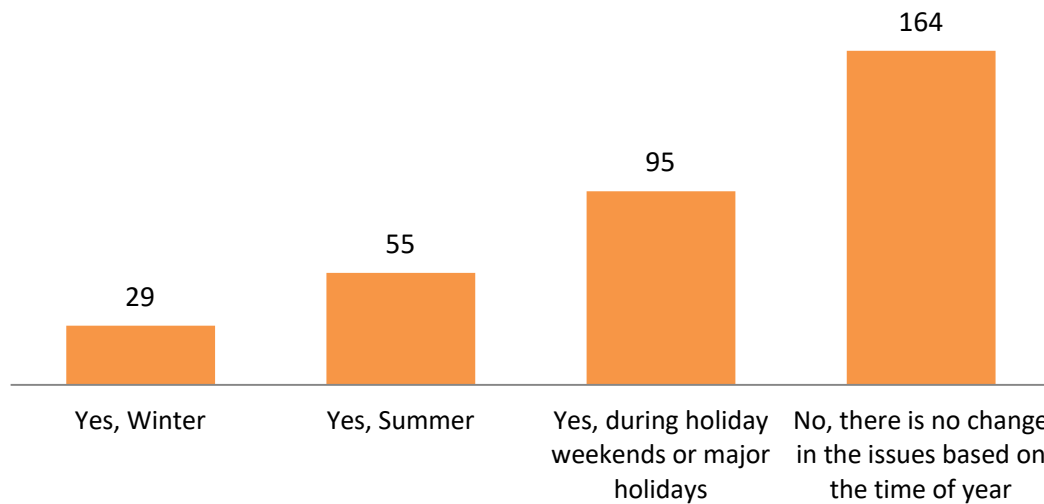
The June 6, 2018 Survey Monkey questionnaire results were as follows:

- Approximately 48% of responses were from those in the Lake Tahoe Basin area of the County (unincorporated)
- 31% from the City of South Lake Tahoe (this effort pertains to areas outside the cities)
- 80% said they are residents, about 22% said they are VHR owners, and 9% are property managers
- For the first two topic questions, we asked, "Which of these statements do you agree with most?" The following charts reflect the responses:

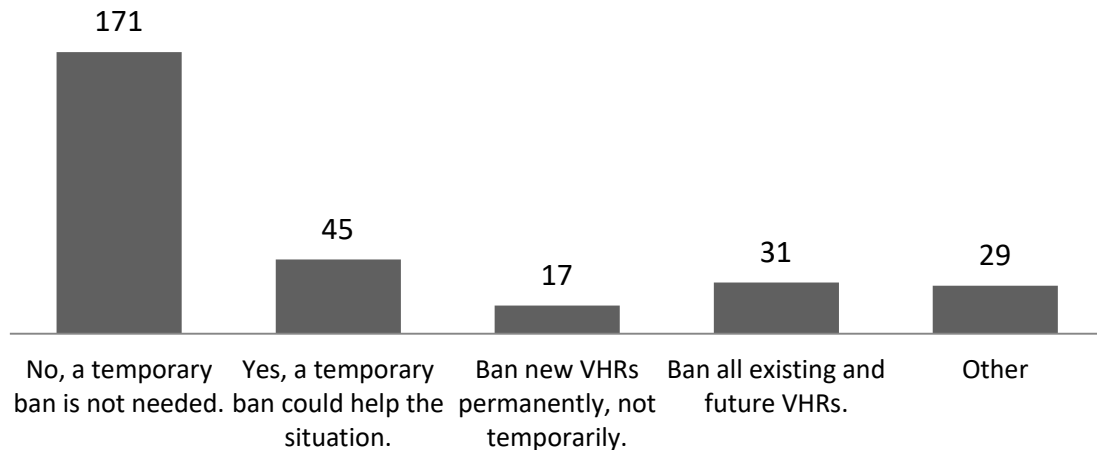




- Next, we asked, "In your experience, are there more problems with VHRs at certain times of year?" The following charts reflect the responses:



- Finally, we asked whether respondents would be in favor of a temporary ban on the issuance of new Vacation Home Rental Permits. The following charts reflect the responses:



Given this feedback and other comments received by staff and the Ad Hoc Committee, staff conducted a review of policy options aimed at the second objective: avoid overconcentration of VHRs and commercialization of neighborhoods. Policy options were as follows:

- Prohibit in residential zones. Because almost all VHRs are in residential zones, this would amount to a ban of VHRs almost entirely
- Require a conditional use permit for ALL. Already a proposed policy for VHR owners that want to allow more than 12 people. Environmental review required, discretionary action by Planning Director or Planning Commission, cost approximately \$7-10,000
- Limit to “hosted” rentals only. This would allow “partial home” VHRs, not the whole property/home. Resident/owner is present during rental, no absentee owners
- Cap total number
- Overlay zone. An area where VHRs are specifically allowed; outside of this they would be banned. Specific neighborhoods would allow them.
- Cap on number or percentage in each neighborhood or “block”. E.g., 10% of homes can be a VHR, if neighborhood is at capacity no other permits issued until one expires/ceases operation
- Separation distance between VHRs. E.g., must be 500 feet between each VHR, distance would be measured for each new application

The case studies were reviewed in order to illustrate the ways that these policy options could be used. Similar to the activities in previous meetings, the Ad Hoc Committee asked participants to offer their thoughts on the pros and cons of each option.

POLICY AND ENFORCEMENT OPTIONS: FEEDBACK AND DIRECTION

As described in the meeting summaries above, the Ad Hoc Committee brought each option for regulation and enforcement of VHRs to the public for their review and comment. Each option was displayed on the wall, and participants were asked to write in their opinions on the pros and cons for each.

Feedback from written comments and those received at meetings indicates that issues such as noise, too many cars, and trespassing are occurring when there are events, but also when there is no specific event. As indicated in the feedback from the public attending the Ad Hoc Committee meetings, the pros and cons of the option of *prohibiting events* at VHRs was summarized as follows:

Pros	Cons
<ul style="list-style-type: none"> • VHRs are not appropriate for events like bachelor parties, weddings, etc • Events create other issues like trash, many cars 	<ul style="list-style-type: none"> • Difficult to stop an event once it is underway • Many families come to Tahoe for Christmas or children's birthday parties – how do we define an event? • Difficult to enforce

The definition of an event is difficult to determine, but the issues arise when there is excess noise or too many people. Since other policies and enforcement options may be able to address the issues associated with events, the Ad Hoc Committee is NOT proposing this policy at this time.

Pros and Cons of the option of *reducing total number of overnight guests* at VHRs was summarized as follows:

Pros	Cons
<ul style="list-style-type: none"> • Limits over-occupancy • Keeps occupancy similar to that of residences • Controls noise, parking • Reduces safety issues • Does not restrict daytime visitors, allows family to gather 	<ul style="list-style-type: none"> • Does not address total number/density of VHRs • Further occupancy limits would reduce the practicality of rentals • Does not limit daytime visitors

Along with this feedback, the Ad Hoc Committee also heard from the community in the Tahoe basin. Many of these concerns related to very large homes, built for the purpose of renting as a VHR, and the unique issues resulting from that intensity of the use. Given this feedback, the committee is proposing that the ordinance keep number of guests per room at 2, but reduce "+4" to "+2" (i.e. in a 3-bedroom house, there could be 8 overnight guests total, rather than 10). Additionally, a Conditional Use Permit (CUP) would be required to operate a VHR whose occupancy exceeds the cap. Additional requirements, such as noise monitoring apps, etc. may apply as part of the CUP.

Pros and Cons of the option of *requiring a 24/7 owner/manager contact located nearby* for all VHRs was summarized as follows:

Pros	Cons
<ul style="list-style-type: none"> • Eliminates over-use of law enforcement resources • Addresses issues more quickly • Encourages local management companies • Mitigates noise/other issues • Owner/property manager responsibility 	<ul style="list-style-type: none"> • Contacts may be slow to respond • Noise may be discontinued before contact arrives • May exclude some owners/managers located out of town

Currently, the ordinance requires that the Local Contact able to respond within 30 minutes of a complaint. A new addition to the ordinance would require that the Local Contact be available 24/7 to respond to complaints, and that the lack of response would be a violation of the ordinance.

Another enforcement mechanism used by other jurisdictions, including South Lake Tahoe, is that a violation of the ordinance results in a fine to both the renter and the owner of the VHR. Pros and Cons of the option of *finer to owner and occupant for violations* is summarized as follows:

Pros	Cons
<ul style="list-style-type: none"> • Threat of penalties are a deterrent to bad behavior; warnings are not • Holds both parties accountable 	<ul style="list-style-type: none"> • Accountability should rest with person committing violation • Unfair to those following ordinances, but whose guests violate rules • Fines need to "fit" the violation • Difficult for owner/manager to determine who would be bad guest

In response to this feedback, the Ad Hoc Committee determined that it would be fairer to impose penalties for violations to the entity directly responsible for the violation. Violations such as failure of Local Contact to respond timely, lack of appropriate trash receptacles and signage, failure to remit TOT, etc., would result in a fine to the owner. Nuisance violations such as noise, littering, illegal parking, etc., and exceeding maximum capacity would result in a fine to the occupant. The number of violations, regardless of who is fined, would "count" toward the number resulting in permit revocation.

Another option for the enforcement of noise-related and other permit requirements is to notify surrounding residents of the issuance of a VHR in order to distribute contact information. The ad hoc committee has received several complaints that neighbors are not able to contact the owner or manager of a VHR, and must either approach the renters in person or contact the Sheriff. Dissemination of contact information for the VHR manager could help to rectify violations more quickly and reduce the number of calls to law enforcement.

Pros and Cons of the option of *notify surrounding residents of the issuance of a VHR permit* is summarized as follows:

Pros	Cons
<ul style="list-style-type: none"> • Transparency to residents • Unpermitted VHRs can be identified and reported • Provides contact information to neighbors, along with other info like occupancy • Allows residents to meet each other, awareness of who is who 	<ul style="list-style-type: none"> • Costly to administer • Privacy concerns • Online list/sign is effective enough • Does not address that there should be no new permits

Although a letter to surrounding residents received mixed reactions, the idea to notify and educate neighboring residents of VHR permits issued is recommended. Information is to be provided for neighbors following issuance of the permit in order to have proper recourse to address problems. Along with signs on the VHR property, local contact information, total occupancy, and current regulations will be available online.

As with noise, parking and traffic issues were described by Tahoe area residents, and many other counties and cities have regulated parking at VHRs. The current ordinance also requires that the permit contain the number of vehicles allowed at the VHR, but this is based on available garage or driveway space the street parking available “immediately in front of the vacation home rental property.”

Pros and Cons of the option to *limit the number of vehicles* allowed at a VHR is summarized as follows:

Pros	Cons
<ul style="list-style-type: none"> Minimizes issues with snow removal Can limit # to what can fit on-site Parallels rules for hotels 	<ul style="list-style-type: none"> Just need to enforce current ordinance Language too vague How to enforce?

Over 50% of respondents to the survey monkey indicated that they had not witnessed parking or traffic issues specifically associated with VHRs. The most chosen other options were issues not specifically related to VHRs; they were violations of other laws like parking illegally or speeding. The option “I can’t find parking due to VHRs” received the fewest at 7 responses (3%). This policy would be difficult to enforce, and other policies, such as limiting occupancy, posting house rules may work to solve the issues with parking and traffic.

Another issue considered by the Ad Hoc Committee was the concern for health and safety issues associated with VHRs. As shown in the regulation chart above, many jurisdictions require certain safety measures as a condition of operating a VHR. Pros and Cons of the option to

require fire and life safety measures (i.e. fire extinguisher, CO detector, smoke detector) at VHRs is summarized as follows:

Pros	Cons
<ul style="list-style-type: none"> • Could help to enforce defensible space requirements • These should be mandatory • These are businesses and should comply with health and safety codes 	<ul style="list-style-type: none"> • (None)

“House fires” was the most-chosen response to the Survey Monkey question on safety, at 55%, or 60 total responses, and “Defensible space maintenance” was a close second with 53% or 58 total responses. The set of changes that has already gone to the Board includes inspections, so these requirements could be incorporated into those inspections. The recommendation is to work with fire districts to draft and refine a set of requirements, and require inspections prior to permit issuance to check for these safety features.

Another option for enforcement of regulations was to require an in-person check-in with renters. Pros and Cons of the option to *require in-person check-in* at VHRs is summarized as follows:

Pros	Cons
<ul style="list-style-type: none"> • Makes renters more accountable/respectful • Enables manager/owner to brief renter on regulations and consequences for non-compliance • Owner/property manager responsibility • Mirrors hotel rules 	<ul style="list-style-type: none"> • Local contact and rental agreement should be enough • Most check-ins are late check-ins

Survey monkey results indicated that trespassing is not a wide-spread issue, but that problems with proper use of bear boxes, parking illegally, and renters’ cars on the street during snow removal were issues. Meeting with the renter could allow instructions to be given to alleviate these issues.

A proposed policy to require the owner or property manager to check-in with the renter on-site at the time of arrival or within 10 hours of arrival was presented to stakeholders. However, further discussion at public meetings indicated that this is not feasible for some renters, as arrival times vary considerable. Additionally, since the on-site meeting would only be for a short period of time, this would not serve to enforce any regulations. Other options such as posting rules inside the home would serve to inform renters of the rules. As a result, this option is not currently recommended.

Whether inspections should occur each year with permit renewal or for new VHRs only was another question for public input. Pros and Cons of the option to *require inspection for new VHRs and upon renewal* is summarized as follows:

Pros	Cons
<ul style="list-style-type: none"> • Inspections are critical for safety • Should apply to all permits, even those that are existing prior to new rules • Should be done annually • Once every 2 years should be sufficient 	<ul style="list-style-type: none"> • Building inspectors and code enforcement are already overloaded • Makes sense to inspect new VHRs

The recommendation is to require inspections at application for a VHR permit, as well as upon renewal of the permit.

Feedback from ad hoc committee meetings and Survey monkey results indicate that some issues are more prevalent with certain VHRs, but that some management companies have fewer issues. Ensuring that all managers and owners that operate VHRs have a thorough knowledge of the rules could help to alleviate issues. Pros and Cons of the option to *require owner/manager certification for VHRs* is summarized as follows:

Pros	Cons
<ul style="list-style-type: none"> • Training for managers • Understanding of difficult situations • They know the rules, can inform renters • Out-of-area homeowners need training • Helps with accountability and compliance 	<ul style="list-style-type: none"> • Current ordinance already requires that they know the rules • No other ordinances require certification to be utilized • Strain on resources

It is recommended that the Board direct staff to create an online course and test for VHR owner/manager certification, results of which will be required as part of the application process.

Finally, options for limits to the number, types, and locations of VHRs were presented to the public for review and comment. Policy options were as follows:

- Prohibit in residential zones. Because almost all VHRs are in residential zones, this would amount to a ban of VHRs almost entirely
- Require a conditional use permit for ALL. Already a proposed policy for VHR owners that want to allow more than 12 people. Environmental review required, discretionary action by Planning Director or Planning Commission, cost approximately \$7-10,000
- Limit to “hosted” rentals only. This would allow “partial home” VHRs, not the whole property/home. Resident/owner is present during rental, no absentee owners

- Cap total number
- Overlay zone. An area where VHRs are specifically allowed; outside of this they would be banned. Specific neighborhoods would allow them.
- Cap on number or percentage in each neighborhood or “block”. E.g., 10% of homes can be a VHR, if neighborhood is at capacity no other permits issued until one expires/ceases operation
- Separation distance between VHRs. E.g., must be 500 feet between each VHR, distance would be measured for each new application

Based on data from the second Survey Monkey questionnaire and the feedback received from the pro/con exercise on these options, there is a lack of consensus among the community on this issue (the complete list of pros and cons for each is attached). In order to address the issues occurring in the Tahoe Basin due to the large number of VHRs, as well as to recognize the economic benefits of retaining VHRs, the ad hoc committee is proposing to continue allowing those currently licensed VHRs to operate, and impose a temporarily limit the total number of VHRs in the Lake Tahoe Basin.

The recommendation is to limit the number of VHR permits in the unincorporated area of the Lake Tahoe Basin to 900. The cap would not apply to the unincorporated area outside the Tahoe Basin, nor would it apply to hosted rentals or homestays. This would allow all current permit holders to retain their permits and would provide for some non-permitted VHRs to come into compliance. It is also the approximate equivalent of 10% of the improved and buildable single-family lots in the Basin. Once the 900-permit cap is reached, a waiting list will be established and new permits will only be issued as permits space becomes available under the cap. In response to concerns that some in neighborhoods heavily affected by VHRs would apply for a permit with no intent of using it in order to limit the number of permits available, it would also be proposed that VHR permit holders will need to show that they have paid at least \$200 in TOT each year (the equivalent of \$2,000 in rental income) in order to renew the permit the following year. Conditional Use Permits (CUPs) for VHRs seeking to exceed the 12-person occupancy limit would be included in this 900-permit cap.

In addition, it is recommended that penalties for operating a VHR without a permit be established. Under the current ordinance, the penalty for operating a non-permitted VHR is not clear. It is recommended that the current monetary penalties for other violations be applied to operating a non-permitted VHR, with each day of operation counting as a separate violation. Upon the fourth violation, the owner would be ineligible to receive a permit for one year.

NEXT STEPS

Moving forward, with Board direction, staff will monitor activity, track unforeseen issues, and keep up-to-date on developments in the region and in tourism-heavy areas. The transfer of VHR regulatory and enforcement duties to the Department of Planning and Building and the implementation of these new measures will result in a change in the way VHRs are managed in the County. The recommendation is to implement these changes, evaluate progress, and revisit the regulations and enforcement methods in one year.

ATTACHMENTS:

I: Objective Two Public Feedback

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