

**Tahoe Regional Planning Agency Short-Term Rental Neighborhood Compatibility Guidelines for Local Jurisdictions**

Adopted by TRPA Governing Board on October 23, 2019  
(Print on Tabloid 11" by 17" Paper)

These Guidelines are to be used by the Tahoe Regional Planning Agency (TRPA) when evaluating local jurisdiction Short-Term Rental Neighborhood Compatibility Programs during the application of the Performance Review System (TRPA Code, Section 50.5) for the distribution of residential allocations in the Tahoe Region.

Local jurisdiction: City of South Lake Tahoe      Date: January 20, 2023      Prepared by: John Hitchcock, Planning Manager

<b>LOCAL JURISDICTION SHORT-TERM RENTAL NEIGHBORHOOD COMPATIBILITY GUIDELINES</b>			
<b>Example STR Neighborhood Compatibility Best Practices</b>	<b>Local Jurisdiction Response</b>	<b>Points (Max.)</b>	<b>Points Awarded</b> <i>(to be determined by TRPA/PRC)</i>
<p><i>The purpose for using best practices is to attain and maintain threshold standards and implement Regional Plan goals and policies as specified in the TRPA Compact. The threshold standards include vegetation, recreation, water quality, soils/SEZ conservation, fisheries, scenic resources, air quality, noise and wildlife. The Regional Plan includes land use, transportation, conservation, recreation, and public services and facilities goals and policies (<a href="http://www.trpa.org/wp-content/uploads/Adopted-Regional-Plan_20190722.pdf">http://www.trpa.org/wp-content/uploads/Adopted-Regional-Plan_20190722.pdf</a>). Local jurisdictions may pick from the "menu" of examples of best practices below or develop their own best practices to earn points provided the practices achieve the purpose described above and in the guidance statement below.</i></p>			
<b>LOCATIONAL</b>			
<p><b>Guidance:</b> To receive 30 points, a local jurisdiction must demonstrate that STRs will be located consistent with: 1) Regional Plan <b>Land Use</b> goals and policies, including directing STRs towards Town Centers, tourist lodging and/or commercial areas, major non-auto dependent transportation corridors and/or near tourist-oriented regional recreational amenities (10 points); 2) address <b>Residential Compatibility</b> issues such as the over saturation ("clustering") of STRs and the construction of large STRs in residential neighborhoods (10 points); and 3) by supporting Regional Plan <b>Transportation</b> goals and policies, including directing STRs to areas where alternative transportation options (shared-use paths, bike lanes/routes, and public transit) are available (10 points). Examples of best practices that a local jurisdiction may implement to address these locational components are provided below.</p>			
<p><b>Example Land Use Best Practices (10 points)</b></p> <ol style="list-style-type: none"> <li>The STR neighborhood compatibility program includes requirements, and can include incentives, for location of STRs within Town Centers.</li> <li>The STR neighborhood compatibility program includes requirements, and can include incentives, for location of STRs within designated tourist lodging and/or commercial areas.</li> <li>The STR neighborhood compatibility program includes requirements, and can include incentives, for location of STRs within major non-auto dependent transportation corridors (e.g., bus routes, shared-use paths, and bike lanes/routes) that can be used to access non-residential uses without using an automobile.</li> <li>The STR neighborhood compatibility program includes requirements, and can include incentives, for location of STRs in and/or adjacent to tourist-oriented regional recreation amenities that can be accessed without an automobile, such as a ski resort, golf course, or major trailhead with available public transit from/to Town Center(s).</li> <li>The STR neighborhood compatibility program includes requirements, and can include incentives, for location of STRs that clearly reinforce the development pattern and uses as designated by the Regional Plan goals and policies and/or adopted Regional Plan or Area Plan planned land use map.</li> </ol> <p><b>Example Residential Compatibility Best Practices (10 points)</b></p> <ol style="list-style-type: none"> <li>The STR neighborhood compatibility program includes requirements to allow STR use in residential areas only if the home is occupied by a primary resident the majority of the year (i.e., make STRs an accessory use).</li> <li>The STR neighborhood compatibility program includes a requirement to allow STR use only if managed by a licensed professional property manager.</li> </ol>	<p>Short-term rentals are prohibited in residential zones and have all been phased out.</p> <p>New VHRs are only allowed in the Tourist Core Area Plan, the Tahoe Valley Area Plan, and all areas zoned commercial (i.e., Town Centers) or recreation. These areas have access to transit and non-auto dependent transit opportunities. These areas also contain regional transit</p>	<p><b>30 points (max)</b></p>	

- 3. The STR neighborhood compatibility program limits the size of STRs and/or includes additional requirements for larger STRs (e.g., special use permit, prohibition on use of large new homes with 4-5 bedrooms as STRs through a deed restriction, requirement for a business license for large STRs, limit total number, require separation distance, require additional permit and/or mitigation fees, etc.).
- 4. The STR neighborhood compatibility program limits the total number of STRs in each jurisdiction (e.g., ratio of STRs to occupied housing, maximum number issued by lottery or on a first come/first served basis, etc.).
- 5. The STR neighborhood compatibility program limits the number of STRs in designated neighborhoods.
- 6. The STR neighborhood compatibility program establishes a waiting period after home construction or sale for STR permit eligibility in neighborhoods vs. other areas (e.g., five year waiting period for properties with single-family zoning and no waiting period for properties in Town Centers).
- 7. The STR neighborhood compatibility program establishes a ratio of long-term to short-term rentals.
- 8. The STR neighborhood compatibility program requires minimum spacing between STRs in residential areas, such as requiring at least 500 feet between parcels with STRs, to address clustering.
- 9. The STR neighborhood compatibility program limits the number of STRs per parcel.
- 10. The STR neighborhood compatibility program requires a two-day minimum stay for STRs in residential areas to lessen impact of move-ins and move-outs.
- 11. The STR neighborhood compatibility program caps the number of nights per year a unit may be rented as an STR in residential areas, such as 30 days per year.
- 12. The STR neighborhood compatibility program caps the number of times an STR may be rented in residential areas, such as four times per month.

**Example Transportation Best Practices (10 points)**

- 1. The STR neighborhood compatibility program only allows STRs within ¼ mile of public transit and/or shared-use paths, bike lanes, or bike routes.
- 2. The STR neighborhood compatibility program uses transit occupancy tax collected from STRs or other revenue sources to offset tourist impacts (e.g. increase transit availability, provide on-demand transit in residential areas, etc.).
- 3. The STR neighborhood compatibility program limits the total number of cars allowed per STR, regardless of the size or number of bedrooms, to a maximum amount equal to or less than the minimum amount of parking spaces required by local ordinance.

**Example Other Best Practices (Can substitute for up to 30 points from above)**

- 1. The local government has created a working group to develop policies and programs for location of STRs, those policies and programs are consistent with the threshold standards and Regional Plan goals and policies, and the local government has implemented those policies and programs.

hubs and are in close proximity to recreation opportunities such as Lake Tahoe, Heavenly Ski Resort and City recreation facilities.

In residential plan areas, Qualified VHR permit allows a primary home owner, with proof of tax exemption, to rent their home limited to 30 days per year, non-consecutively.

VHR occupancy is limited by the number of bedrooms and/or on-site parking spaces up to a maximum of 6 persons.

VHRs are required to designate a local contact or property manager to respond to neighborhood compatibility complaints.

VHR permit fees are based on the size of the VHR unit, providing funding for enforcement of neighborhood compatibility regulations. Transient Occupancy Tax is utilized to fund City services and capital

	<p>projects related to public safety, auto and non-auto transportation infrastructure, water quality improvement projects, housing, parks and recreation and land use planning.</p> <p>The newly adopted Hosted Rental (referred to as HR hereon) Ordinance requires the permittee to be a primary resident and have a cap of 200 permits. The host must be present during the duration of the rental.</p> <p>No more than one VHR or HR permit is allowed per parcel.</p> <p>All VHR parking must be accommodated off-street; one dedicated parking space is required for HR's.</p> <p>The ordinance permits VHRs in commercial areas and the tourist core area, which are well served by existing public transit. All VHRs in commercial areas and tourist core area are within ¼ mile of transit and shared use trails.</p>		
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<b>OPERATIONAL</b>			
<p><b>Guidance:</b> To receive 30 points, a local jurisdiction must demonstrate that they have regulations in place that address, at a minimum, <b>Noise</b> (5 points), <b>Occupancy</b> (2.5 points), <b>Parking</b> (5 points), <b>Refuse</b> (5 points), <b>Defensible Space</b> (2.5 points), <b>Water Quality</b> (2.5), <b>Public Health and Safety</b> (5 points), public/visitor <b>Education</b> (2.5 points), or <b>Other</b> program elements that will further STR neighborhood compatibility. Examples of best practices that a local jurisdiction may implement to address the operational component are provided below.</p>			
<p><b>Example Noise Best Practices (5 points)</b></p> <ol style="list-style-type: none"> <li>1. The STR neighborhood compatibility program establishes quiet hours (e.g., 10:00 p.m. to 7:00 a.m.).</li> <li>2. The STR neighborhood compatibility program requires a noise management plan.</li> <li>3. The STR neighborhood compatibility program requires installation of noise monitoring devices.</li> </ol> <p><b>Example Occupancy Best Practices (2.5 points)</b></p> <ol style="list-style-type: none"> <li>1. The STR neighborhood compatibility program establishes occupancy limits (e.g., limits the number of visitors by bedrooms, such as 2 per bedroom, unless under 5 years of age, and additional parking is available).</li> </ol> <p><b>Example Parking Best Practices (5 points)</b></p> <ol style="list-style-type: none"> <li>1. The STR neighborhood compatibility program requires adequate improved off-street parking.</li> <li>2. The STR neighborhood compatibility program requires snow removal.</li> <li>3. The STR neighborhood compatibility program requires a parking management plan that includes a location for snow storage.</li> </ol> <p><b>Example Refuse Best Practices (5 points)</b></p> <ol style="list-style-type: none"> <li>1. The STR neighborhood compatibility program requires proper garbage containment, such as bear boxes and trash service.</li> </ol> <p><b>Example Defensible Space Best Practices (2.5 points)</b></p> <ol style="list-style-type: none"> <li>1. The STR neighborhood compatibility program requires defensible space inspections and maintenance.</li> <li>2. The STR neighborhood compatibility program prohibits outdoor fires, fire pits, charcoal BBQ grills, etc.</li> </ol> <p><b>Example Water Quality Best Practices (2.5 points)</b></p> <ol style="list-style-type: none"> <li>1. The STR neighborhood compatibility program requires stormwater Best Management Practices be installed/recertified at authorization and reauthorization.</li> <li>2. The STR neighborhood compatibility program requires mitigation of all excess on-site coverage.</li> </ol> <p><b>Example Public Health and Safety Best Practices (5 points)</b></p> <ol style="list-style-type: none"> <li>1. The STR neighborhood compatibility program requires public health and safety inspections for new permits and permit renewals (require appropriate handrails, adequate electrical for hot tubs, CO2 and smoke detectors, exit signs, etc.).</li> <li>2. The STR neighborhood compatibility program limits the total number of STR permits based on emergency medical services, fire, and law enforcement resources &amp; availability.</li> <li>3. The STR neighborhood compatibility program uses transient occupancy tax revenues and permit fees to fund needed public services, such as law/code enforcement and fire.</li> <li>4. The STR neighborhood compatibility program charges commercial water and sewer fees for STRs to cover the cost and impact of increased usage.</li> <li>5. The STR neighborhood compatibility program complies with public accommodation requirements in state law.</li> </ol> <p><b>Example Education Best Practices (2.5 points)</b></p> <ol style="list-style-type: none"> <li>1. The STR neighborhood compatibility program requires all renters to be provided with education about being a good neighbor, fire safety, Lake Tahoe stewardship, geotourism, parking, and public transportation options.</li> <li>2. The STR neighborhood compatibility program requires interior and exterior signage with permit information and regulations.</li> <li>3. The STR neighborhood compatibility program requires permit numbers to be on all STR advertisements.</li> <li>4. The STR neighborhood compatibility program requires STR permit holders and/or renters to read rules and responsibilities, and to sign an acknowledgement.</li> </ol> <p><b>Example Other Best Practices (Can substitute for up to 30 points from above)</b></p> <ol style="list-style-type: none"> <li>1. The STR neighborhood compatibility program requires an STR permit and annual renewal.</li> </ol>	<p>Quiet hours are required between 10pm and 7am.</p> <p>Both HR and VHRs have occupancy limits based on bedrooms and parking. In no case, can a HR exceed more than 6 people regardless of size/bedrooms.</p> <p>All VHRs, outside of Tahoe Keys and the Tourist Core, are required to install bear proof trash enclosures.</p> <p>Outdoor fire pits are prohibited, and defensible space is required as part of the VHR inspection.</p> <p>On-site parking spaces are required to be paved.</p> <p>Public health and safety inspections are required for all VHRs outside of the Tourist Core. Inspection includes building, electrical and fire code compliance (see checklist)</p>	<b>30 points (max)</b>	

2. The STR neighborhood compatibility program provides a web-based permitting service and annual renewal service.
3. The STR neighborhood compatibility program requires permit fees, inspection fees, & annual renewal fees.
4. The STR neighborhood compatibility program requires permit holders to have insurance that is specifically for STRs.
5. The STR neighborhood compatibility program requires permit applicants to identify and disclose HOA CC&R regulations that limit the length of a lease or rentals.
6. The STR neighborhood compatibility program requires a full-time certified local contact (or professional management firm) be available anytime an STR is occupied.
7. The STR neighborhood compatibility program requires on-site professional management.
8. The STR neighborhood compatibility program provides incentives for full-time hosted/shared or professionally managed STRs (e.g., fee discounts, permit exemptions, etc.).
9. The STR neighborhood compatibility program only allows permanent residents to operate STRs.
10. The local government has created a working group to develop policies and programs for operation of STRs and implemented those policies and programs.

Annual renewals are required for all VHRs, qualified VHRs, and hosted rental permits.

VHRs are required to designate a local contact or property manager to respond to neighborhood compatibility complaints.

HR permittees must provide a self-certified inspection checklist for compliance with requirements.

Permit and violation fees contribute to the cost of enforcement and implementation of the VHR/HR programs.

Interior and exterior signage is required for all VHRs.

The ordinance requires all residential properties to have trash service

The City collects a permit application fee and an inspection fee prior to issuing VHR permits.

Educational information is implemented through

	<p>the “Leave No Impact Program”.</p> <p>Transient Occupancy Tax is utilized to fund City services and capital projects related to public safety, auto and non-auto transportation infrastructure, water quality improvement projects, housing, parks and recreation and land use planning.</p> <p>STPUD collects water and sewer fees based on the number of fixtures within the unit and service fees based on usage.</p>		
<b>ENFORCEMENT</b>			
<p><b>Guidance:</b> To receive 40 points, a local jurisdiction must demonstrate that that they have an <b>Implementation</b> program in place for enforcing locational and operational STR requirements, including bringing illegal STRs into conformance and addressing “bad actors” (15 points), adequate enforcement program <b>Funding</b> (10 points), effective <b>Penalties</b> (5 points), and an <b>Education</b> program (10 points). Examples of best practices that a local jurisdiction may implement to address the enforcement component are provided below.</p>			
<p><b>Example Implementation Best Practices (15 points)</b></p> <ol style="list-style-type: none"> <li>1. The STR neighborhood compatibility program requires a full-time certified local contact (or professional management firm) be available anytime an STR is occupied.</li> <li>2. The STR neighborhood compatibility program provides a 24 hour/7 day a week enforcement hotline.</li> <li>3. The STR neighborhood compatibility program utilizes a rental activity monitoring service or program to identify STRs that do not have permits or certificates and uses that information to require compliance with applicable regulations and requirements.</li> <li>4. The STR neighborhood compatibility program prohibits repeat violators from applying for additional STR permits.</li> <li>5. The STR neighborhood compatibility program provides a web-based format for community members to report STR violations.</li> <li>6. The STR neighborhood compatibility program grants fee and permit condition waivers or reduced requirements for full-time hosted STRs (e.g., fee discounts, permit condition exemptions, etc.).</li> <li>7. The STR neighborhood compatibility program provides timely resolution of complaints and violations.</li> <li>8. The STR neighborhood compatibility program includes unscheduled and non-complaint based inspections to encourage compliance.</li> </ol> <p><b>Example Funding Best Practices (10 points)</b></p> <ol style="list-style-type: none"> <li>1. The STR neighborhood compatibility program uses permit fees, transient occupancy tax or room tax revenues, money generated from fines, or other revenue services to fund STR code enforcement.</li> <li>2. The STR neighborhood compatibility program has higher fees for larger homes to fund potentially greater enforcement costs resulting from the higher number of occupants.</li> <li>3. The STR neighborhood compatibility program allows for cost recovery to be built into STR permit fees and fines to fund code enforcement staff.</li> </ol>	<p>A local contact must be available 24/7.</p> <p>Permit and violation fees, and TOT contribute to the cost of enforcement and implementation of the VHR/HR programs.</p> <p>A VHR permit may be revoked after 3 adjudicated violations.</p> <p>Signage is required.</p> <p>Educational information is</p>	<p><b>40 points (max)</b></p>	

<p><b>Example Education Best Practices (10 points)</b></p> <ol style="list-style-type: none"> <li>1. The STR neighborhood compatibility program requires interior and exterior signage with the local contact name and phone number.</li> <li>2. The STR neighborhood compatibility program requires that neighbors be notified and given an opportunity to comment prior to a permit being issued.</li> <li>3. The STR neighborhood compatibility program requires that neighbors that share a common wall approve STR permits.</li> <li>4. The STR neighborhood compatibility program requires permit numbers be on all STR advertisements.</li> <li>5. The STR neighborhood compatibility program provides education on being a good neighbor, fire safety, Lake Tahoe stewardship, geotourism, parking, and public transportation options.</li> <li>6. The STR neighborhood compatibility program includes a system to track and report complaints (type of complaint, location, response time, resolution, number of complaints at that location, owner, etc.) and uses the results for enforcement (e.g., condition and/or deny new and/or renewal of permits, etc.).</li> </ol> <p><b>Example Penalties Best Practices (5 points)</b></p> <ol style="list-style-type: none"> <li>1. The STR neighborhood compatibility program revokes STR permits for repeat violations or for STRs that do not meet public health and safety standards.</li> <li>2. The STR neighborhood compatibility program increases violation fines for repeated violations by the STR permit holder, property owners, and/or visitors.</li> <li>3. The STR neighborhood compatibility program places a lien on a property if fines for violations have not been paid.</li> <li>4. The STR neighborhood compatibility program includes mandatory eviction provisions for violations in rental agreements.</li> <li>5. The STR neighborhood compatibility program includes a certified local contact requirement and the local government has the right to revoke a certificate if a certain number of unresolved complaints are lodged against the property being managed by the certificate holder.</li> </ol> <p><b>Example Other Best Practices (Can substitute for up to 40 points from above)</b></p> <ol style="list-style-type: none"> <li>1. The local government has created a working group to develop policies and programs for STR enforcement and implemented those policies and programs.</li> </ol>	<p>implemented through the “Leave No Impact Program”.</p> <p>Operating a vacation home rental property without a permit is subject to a \$1,000 fine.</p> <p>The City maintains a VHR hotline to receive reports of violations. The Police Department tracks and reports all complaints including processing any appeals through the administrative citation process. Fines associated with citations range between \$250 and \$1000 per violation. Either the property owner or renter can be issued a citation.</p> <p>City engages with Host Compliance for Address Identification, Rental Activity and Active Ads.</p> <p>Permit numbers are required to be displayed on all advertisements</p>		
<p><b>TOTAL</b></p>		<p><b>100 points (max)</b></p>	

\*Every two years, TRPA convenes the Performance Review Committee (PRC), a Committee made up of one TRPA staff member and one staff member from each local jurisdiction, to review the Performance Review System and ensure the provisions of TRPA Code, Chapter 50, have been applied correctly and provide a recommendation to TRPA's Advisory Planning Commission and Governing Board regarding the distribution of residential allocations to the local jurisdictions.