



# SHORT-TERM RENTALS IN WASHOE COUNTY: AN OVERVIEW

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9/23/19

## WHAT IS HAPPENING?

Washoe County has begun the process to establish standards for short-term rentals in the unincorporated County (outside of Reno and Sparks)\*. The County recently completed the first phase of public outreach, including three public workshops, a series of stakeholder meetings and an online survey. Additional details are available at [www.washoecounty.us/str](http://www.washoecounty.us/str). Input will be used to draft approaches for consideration by the Board of County Commissioners.

*\*Unincorporated Washoe County includes those areas of the County located **outside** of the city limits of Reno and Sparks. It includes areas such as Incline Village, Washoe Valley, Spanish Springs, Hidden Valley, Sun Valley, portions of Verdi and Cold Springs, and others. If you're not sure if a location is within unincorporated Washoe County, visit <https://gis.washoecounty.us/wrms/quick/city> to find out.*

## WHAT DOES THE COUNTY WANT TO ACHIEVE?

Washoe County intends to establish simple, fair and enforceable standards for short-term rentals that balance competing interests and maximize voluntary compliance.

## WHAT MIGHT BE POTENTIAL AREAS OF CONCERN?

Community stakeholders and agencies have identified the following areas of potential concern relating to the establishment of standards for short-term rentals in unincorporated Washoe County (partial list only).

- **Permitting Process:** (ex. fees, fines, review times, etc.)
- **Fire and Guest Safety:** (ex. defensible space, smoke detectors, structures meeting code standards, etc.)
- **Occupancy Limits:** (ex. number of guests allowed per room, home, etc.)
- **Parking:** (ex. adequate off-street parking spaces, designated parking areas, etc.)
- **Trash:** (ex. placement or volume of trash, bear-proofing, etc.)
- **Noise:** (ex. excessive noise, late-night/early morning noise, etc.)

## HOW CAN I STAY INFORMED?

For more information about the County's efforts to establish standards for short-term rentals, or to subscribe to updates, visit [www.washoecounty.us/str](http://www.washoecounty.us/str).

## NEXT STEPS

Input from the public workshops, stakeholder meetings and online survey is being used to draft recommendations for consideration by the Board. The next set of key milestones for establishing short-term rental standards are as follows (timing subject to change):

1. **Board of County Commissioners (BCC) check-in.** Status update to confirm direction. Expected to occur in fall 2019.
2. **Publish draft code language for 21-day public comment period.** To occur after BCC check-in.
3. **Planning Commission and BCC hearings.** Expected to occur in early 2020, assuming no major changes as a result of previous steps.



## SHORT-TERM RENTALS IN WASHOE COUNTY: FREQUENTLY ASKED QUESTIONS

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1. **What is a short term rental (STR)?**

A short-term rental, or STR, may also be referred to as a vacation rental. STRs are generally rented to guests for 28 days or less out of private residences such as homes, apartments and condos. They're commonly available through property management companies and online booking services such as Airbnb and VRBO.

2. **Which geographic area(s) will be affected by these efforts?**

Unincorporated Washoe County only. This **DOES NOT INCLUDE** properties within the city limits of Reno or Sparks. It **DOES INCLUDE** areas like Incline Village, Washoe Valley, Spanish Springs, etc.

3. **Is banning STRs an option for Washoe County? If not, why not?**

The direction from the Board of County Commissioners is to establish standards and a permitting process governing STRs in unincorporated Washoe County. Experts across the industry have recognized that STRs continue to exist even in jurisdictions where a ban is in place. Establishing standards and a permitting process will allow for impacts to be addressed and regulations to be enforced.

4. **Will all hosts of STR's be required to register with Washoe County?**

Yes, a permitting process is expected to be developed as part of the efforts to establish STR standards.

5. **What if my property is already registered with RSCVA?**

The Reno-Sparks Convention and Visitors Authority (RSCVA) requires hosts of STRs to obtain a transient lodging tax (aka room tax) license. In order to operate, hosts of STRs will also need to obtain the appropriate permit/license through Washoe County once a process has been established. Although the RSCVA is a separate entity from Washoe County, it is expected there will be opportunities to reduce potential overlap in the permitting processes between the two organizations.

6. **Will there be a fee associated with obtaining a short-term rental permit or license with the County?**

Yes, it is expected that a permit or license fee will be required in order to operate a short-term rental in unincorporated Washoe County. Additionally, it is expected that non-compliance may result in penalty fines.

7. **Will general taxpayer dollars be spent to implement/enforce STR standards?**

The County's goal is to establish a fee and fine structure for short-term rentals that will cause the program to be revenue-neutral. That is, fees and fines will be expected to support implementation of the program and enforcement of newly-established regulations. This includes fees covering the cost of any inspections necessary to obtain a permit or license.

8. **Will hosts of STRs also be required to pay room tax?**

Yes, this will not change.

9. **How much room tax is generated by STRs in Incline Village? How much of that does Washoe County get and where does it go?**

The RSCVA assesses a 13% room tax on STRs in Washoe County. That room tax is paid to the RSCVA, which keeps a portion and then distributes the remainder to various State, regional and local agencies. Per State law and various government ordinances, Washoe County receives 1/13<sup>th</sup> of the room tax paid in unincorporated County areas. Based on a 5-year average, RSCVA receives approximately \$1.6M annually for room taxes associated with STRs in the Incline Village/Crystal Bay area. Washoe County receives 1/13<sup>th</sup> of that amount, which is approximately \$125,000 annually. That goes into the General Fund.

10. **Will the distribution of room tax change as a result of efforts to establish STR standards in the County?**

No. As indicated above, State law and various government ordinances control how much Washoe County receives of the 13% room tax assessed by the RSCVA. The County currently receives 1/13<sup>th</sup> of that amount. That is not to say that the topic will not be revisited in the future.



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**11. Will the County regulate the number of days in a year a home can be rented as a short-term rental?**

There are a number of possible regulatory options that the County may consider in its efforts to establish STR standards. County staff is seeking input on STR impacts and potential options for reducing negative impacts. Staff looks forward to hearing suggestions like these and others during the public input process.

**12. Aren't concerns over trash, parking, and noise already covered by existing ordinances?**

In some cases, yes. The County is assessing if (or how) current laws adequately address quality of life impacts like trash, parking, and noise. Public input is a critical part of this assessment.

**13. Are there benefits to having STRs in a community?**

Although impacts to neighbors are the most commonly talked about aspect of STRs, they also can benefit a community. STRs provide an alternative lodging option in areas where traditional lodging availability may either be inadequate or undesirable depending on a guest's preferences. STRs also can have positive economic impact in terms of dollars spent within a community; provide additional income to residents who host STRs; assist in job creation for the tourism sector; and provide alternative housing options for a community's seasonal employees.

**14. How many STRs are in Washoe County? In Incline Village?**

The number of STRs in a community can vary dramatically month-to-month and season-to-season as homes come on and off the rental market for a variety of reasons. Once a permitting process is established for STRs in the County, averages will be better able to be tracked over time. However, current unofficial estimates put the number of STRs in all of unincorporated Washoe County as ranging between roughly 500 and 900 distinct units, varying greatly with time of year. The majority are located in Incline Village/Crystal Bay.

**15. What is the Tahoe Regional Planning Agency's (TRPA's) role in this process?**

TRPA's Governing Board voted in April 2019 to make STR neighborhood compatibility a third component in the system by which local jurisdictions are rated and receive residential allocations from TRPA. As part of these efforts, TRPA has established a STR Neighborhood Compatibility Working Group to provide guidance on standards affecting a jurisdiction's rating. The standards are currently in draft form. It's expected they'll be finalized and provided to TRPA's deciding bodies late 2019 for consideration on whether to adopt them.

**16. Does Washoe County have an agreement with TRPA regarding STRs?**

Yes. In October 2004, Washoe County and TRPA executed an interlocal agreement governing vacation rentals in the Lake Tahoe basin portion of Washoe County, especially in regards to common objectives.

**17. Is the County looking at best practices from other jurisdictions around the country?**

Yes. In addition to seeking input from affected stakeholders in Washoe County, the County is investigating regulatory options used by jurisdictions across the United States. This includes but is not limited to other jurisdictions around the Lake Tahoe area, in Nevada, and in similar communities in other states. The intent is to learn how other communities have addressed STRs and identify approaches that may be successful here.

**18. Can Incline Village have separate standards for short-term rentals?**

As a body, the County Commission's direction to staff was to draft STR standards that would be applicable across unincorporated Washoe County. However, numerous members of the public maintain that the Incline Village area presents unique environmental and other challenges that warrant distinct standards. This request is expected to be brought forward to the County Commission for their consideration.

**19. How can I provide input on this process?**

The County welcomes public input throughout the process. A variety of opportunities will be available, including public workshops, an online survey, public hearings, and an official public comment period to review draft language. Current opportunities will be posted at [www.washoecounty.us/str](http://www.washoecounty.us/str).