

# SLT council tightens screws on VHR owners

By Kathryn Reed

It seems like every time the South Lake Tahoe City Council makes some change to the vacation rental ordinance, another group of people becomes disenfranchised.

On Tuesday it was those who have the tourist rentals in a multi-family dwelling.

The staff report says, "There will be no VHR permits for multi-family properties one year from the effective date of this ordinance."

Eleven people spoke at the meeting; most not happy with the changes – and certainly not understanding of them.

Mayor Wendy David said, "We have a housing crisis. As the City Council we need to think of the community. We are facing a substantial crisis with those who want to live here and can't find adequate housing."

The change means people who have a second dwelling on their property, own a duplex, or larger multi-family dwelling will no longer be able to rent them to tourists.

These people believe they are being discriminated against. Those who voiced their opinions said they ought to be grandfathered in, spoke of how their properties had no violations, and that the money pays their bills and helps with retirement income.

The council didn't budge.

While the staff report from the May 17 meeting said the ordinance was designed to be more user friendly and easier to

follow, that wasn't the case for everyone reading along.

Councilman Austin Sass, who with David, was on the subcommittee to come up with the changes. He said at the get-go only three things changed. The staff report had 11 significant bullet items, and the actual ordinance is full of lined-out language and additional verbiage.

It used to be that owners could pay a reduced permit fee if they opted to rent to fewer people than the maximum allowed. Not so going forward. The VHR permit will be for the top number, thus further increasing the city's bottom line.

One item that didn't get any attention is that all types of vacation rentals will now have to collect/pay transient occupancy tax.

The staff report says, "... TOT payment is required for all rentals of 30 days or less and it is collected through an issued VHR permit." This includes people renting a room and staying on the premise. A chart in the actual ordinance says as much, too.

However, to add to the confusion, City Attorney Tom Watson told *Lake Tahoe News* those types of rentals don't require a VHR permit, but instead people will need a business license. Further clarification was sought early today, but no answer has arrived.

The second reading of the ordinance is expected at the June 7 meeting. The ordinance would be effective 30 days later.

One thing that could ease the housing crunch is that on Monday the California Senate passed SB1069, which would allow people to add a second dwelling to their property. Watson said this would have no bearing on South Lake Tahoe's VHR ordinance.

The Tahoe Regional Planning Agency normally says no to such units.

“As far as how this state legislation would affect TRPA rules, we would have to wait and see what if anything passes at the end of the day, how that compares with our rules and our policies and goals for the region, and update things accordingly,” Tom Lotshaw, spokesman for the bi-state regulatory agency, told