

SLT voters may decide competing VHR initiatives

By Lake Tahoe News

South Lake Tahoe residents known as the Tahoe Neighborhoods Group on April 30 submitted 1,651 signatures on a petition to limit vacation home rentals in the city.

The group wants voters to decide in November if short-term rentals should only be allowed in the tourist core. VHRs would be eliminated elsewhere over a three-year period if voters so decide.

The signatures will be validated in the next 30 days by the El Dorado County Elections Department, with 1,036 needed to qualify.

If validation occurs, the South Lake Tahoe City Council would then have to adopt a resolution for the initiative to be on the ballot.

This is the second petition regarding VHRs that has been submitted that could end up before voters in the fall.

The other one is the work of real estate agents Jerry Williams and Craig Woodward, and VHR owner Melissa Wong.

In part their petition says, "Despite their importance to the city's economy, vacation home rentals can result in impacts to the community and the quality of life for permanent residents. As such, a balance must be struck between maintaining the economic viability of vacation home rentals as an important element of the city's tourism industry, while at the same time placing certain restrictions on the establishment and management vacation home rentals in order to protect and preserve the quality of life in the city's residential

neighborhoods.”

Their goal is to continue to allow VHRs in neighborhoods, but with constraints. They also want to create a commission that would have some oversight on the industry.

Collateral in all of this is that the recreation center has been put on hold by staff. It's not something that has come before the council. That facility was to be paid for by transient occupancy tax. Voters in 2016 approved a measure to increase TOT by 2 percentage points. That additional revenue is dedicated solely for recreation.

The plan was to seek bonds to fund the facility, with the TOT used to pay the debt. Now with TOT collections in jeopardy if the number of VHRs is drastically reduced, the city's finances are no longer stable.

It's not just the rec center that will be impacted by less TOT, but all city services. TOT is one of the top three revenue sources for South Lake Tahoe. The other two are sales and property taxes. Those, too, would be affected by changes to VHR regulations.