

# INITIATIVE MEASURE TO BE SUBMITTED DIRECTLY TO THE VOTERS

The city attorney has prepared the following title and summary of the chief purpose and points of the proposed measure.

## A CITIZEN'S INITIATIVE MEASURE TO ELIMINATE MOST VACATION HOME RENTALS ("VHR's") IN RESIDENTIAL ZONES WITHIN THE CITY OF SOUTH LAKE TAHOE.

On November 21, 2017, the City of South Lake Tahoe ("City") adopted Ordinance No. 1114, which adopted the City's current VHR regulations. This Initiative eliminates most VHRs within residential zones in the City and proposes to amend Ordinance No. 1114 as follows: 1. Adds new definitions to section 3.50.370 for "Effective Date", "Expiration Date", "Guest House", "Homeowners Property Tax Exemption", "Permanent Resident", "Qualified Vacation Home Rental", and "Residential Zones, Commercial Zones, and the Tourist Core Area". 2. Amends 3.50.380.D to add the following: "D.3. Owners of a multi-family dwelling unit with a valid vacation home rental permit on the Effective Date of this initiative shall continue to be eligible for renewal of said multi-family dwelling permit. A renewal permit will be issued or denied based on the criteria Vacation Home Rental 3.50.410. All multi-family dwelling unit permits will be discontinued on the expiration date of their permit in the year 2021." 3. Amends sections 3.50.380.F and 3.50.410.B.5 to eliminate the 1,400 VHR permit cap on dwellings outside the Tourist Core Area Plan. 4. Amends Section 3.50.410.B.5.a. to provide that VHRs will continue to be permitted in commercial zones or the tourist core area of the City. 5. Adds section 3.50.410.E to eliminate VHR permits in residential zones upon the permit expiration date in 2021, or December 31, 2021, whichever is earlier, except for qualified VHRs. 6. Adds section 3.50.410.F, as follows: "An owner who is a permanent resident of the City of South Lake Tahoe, and whose dwelling is located in a residential zone in the City of South Lake Tahoe and who resides in said dwelling for the majority of the year, shall be entitled to rent the entire dwelling for up to 30 (consecutive or non-consecutive) days total per one year permit period. 1) This use shall be limited to only the owner-occupied dwelling unit or one guest house on the same parcel. 2) A vacation rental permit for this type of qualified vacation rental use shall be required and can be applied for at any time after the Effective Date. 3) The owner must provide proof of a Homeowner's Property Tax Exemption for the subject property. 4) These permits are eligible for renewal beyond December 31, 2021. 5) A permit fee will be required along with collection of transient occupancy tax (TOT)." 7. Amends section 3.50.440 "Conditions of Operation" to delete Section A.1. and replace it with the following: "A. Occupancy of all VHRs in residential zones shall be calculated by multiplying the number of bedrooms by two (2). The maximum occupancy for any vacation rental is twelve (12). The number of on-site paved parking spaces required equals one (1) per four (4) occupants. The voluntary reduction of occupancy in order to reduce fees is not permitted." 8. Adds section 3.50.450.D to add a minimum fine of \$1,000 for a violation after December 31, 2021.

**NOTICE TO THE PUBLIC: THIS PETITION MAY BE CIRCULATED BY A PAID SIGNATURE GATHERER OR A VOLUNTEER. YOU HAVE THE RIGHT TO ASK.**

ALL SIGNERS OF THIS PETITION MUST BE REGISTERED VOTERS OF THE CITY OF SOUTH LAKE TAHOE

Official Use Only

REGISTERED VOTERS ONLY

NEW REGISTRATION	1. _____ Print Your Name  _____ Sign as Registered To Vote	Residence Address ONLY  _____ City Zip	
NEW REGISTRATION	2. _____ Print Your Name  _____ Sign as Registered To Vote	Residence Address ONLY  _____ City Zip	
NEW REGISTRATION	3. _____ Print Your Name  _____ Sign as Registered To Vote	Residence Address ONLY  _____ City Zip	
NEW REGISTRATION	4. _____ Print Your Name  _____ Sign as Registered To Vote	Residence Address ONLY  _____ City Zip	

REGISTERED VOTERS ONLY



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### **A CITIZEN'S INITIATIVE MEASURE TO ELIMINATE MOST VACATION HOME RENTALS ("VHR's") IN RESIDENTIAL ZONES WITHIN THE CITY OF SOUTH LAKE TAHOE.**

On November 21, 2017, the City of South Lake Tahoe ("City") adopted Ordinance No. 1114, which adopted the City's current VHR regulations. This Initiative eliminates most VHRs within residential zones in the City and proposes to amend Ordinance No. 1114 as follows: 1. Adds new definitions to section 3.50.370 for "Effective Date", "Expiration Date", "Guest House", "Homeowners Property Tax Exemption", "Permanent Resident", "Qualified Vacation Home Rental", and "Residential Zones, Commercial Zones, and the Tourist Core Area". 2. Amends 3.50.380.D to add the following: "D.3. Owners of a multi-family dwelling unit with a valid vacation home rental permit on the Effective Date of this initiative shall continue to be eligible for renewal of said multi-family dwelling permit. A renewal permit will be issued or denied based on the criteria Vacation Home Rental 3.50.410. All multi-family dwelling unit permits will be discontinued on the expiration date of their permit in the year 2021." 3. Amends sections 3.50.380.F and 3.50.410.B.5 to eliminate the 1,400 VHR permit cap on dwellings outside the Tourist Core Area Plan. 4. Amends Section 3.50.410.B.5.a. to provide that VHRs will continue to be permitted in commercial zones or the tourist core area of the City. 5. Adds section 3.50.410.E to eliminate VHR permits in residential zones upon the permit expiration date in 2021, or December 31, 2021, whichever is earlier, except for qualified VHRs. 6. Adds section 3.50.410.F, as follows: "An owner who is a permanent resident of the City of South Lake Tahoe, and whose dwelling is located in a residential zone in the City of South Lake Tahoe and who resides in said dwelling for the majority of the year, shall be entitled to rent the entire dwelling for up to 30 (consecutive or non-consecutive) days total per one year permit period. 1) This use shall be limited to only the owner-occupied dwelling unit or one guest house on the same parcel. 2) A vacation rental permit for this type of qualified vacation rental use shall be required and can be applied for at any time after the Effective Date. 3) The owner must provide proof of a Homeowner's Property Tax Exemption for the subject property. 4) These permits are eligible for renewal beyond December 31, 2021. 5) A permit fee will be required along with collection of transient occupancy tax (TOT)." 7. Amends section 3.50.440 "Conditions of Operation" to delete Section A.1. and replace it with the following: "A. Occupancy of all VHRs in residential zones shall be calculated by multiplying the number of bedrooms by two (2). The maximum occupancy for any vacation rental is twelve (12). The number of on-site paved parking spaces required equals one (1) per four (4) occupants. The voluntary reduction of occupancy in order to reduce fees is not permitted." 8. Adds section 3.50.450.D to add a minimum fine of \$1,000 for a violation after December 31, 2021.

NOTICE OF INTENT TO CIRCULATE PETITION Notice is hereby given, by the persons whose names appear hereon, of their intention to circulate a petition within the City of South Lake Tahoe for the purpose of 1) Prohibiting the issuance of new vacation home rental permits for non "Qualified" properties. 2) Allowing only "Qualified" vacation home rentals in residential neighborhoods after December 31, 2021 in the City of South Lake Tahoe. 3) Encouraging the expansion of vacation rentals in the tourist and commercially zoned areas. A statement of reasons of the proposed action as contemplated in petition is as follows: While elected officials from many tourist-oriented cities acted decisively to protect their residents, our elected officials continued to issue permits and then set an unreasonable "cap" of 1400 for vacation home rentals in residential zones. The City Council has made no reasonable effort to mitigate the negative impacts of vacation rentals on its residents. As a result, residents are seeking a remedy to the intrusion of vacation home rentals in our residentially zoned neighborhoods. The city has failed to adequately address resident complaints involving excessive noise, disorderly conduct, overcrowding, traffic, parking, and trash issues at vacation home rentals. Vacation rentals are negatively affecting the character and livability of our neighborhoods. An independent socio economic report, commissioned by the City Council, identified many of these issues. Lack of available housing for our workforce has become an issue for businesses, the school district, government agencies, resorts and potential residents. It is difficult to sustain a community where there are too few places for people and families to live. The City of South Lake Tahoe continues to give preferential consideration to commercial enterprises in neighborhoods rather than its residents. Tourism is very important to the South Lake Tahoe economy, but it should not adversely impact our residential neighborhoods. Allowing the expansion of vacation home rentals in the commercial zones and tourist core area will continue to support our tourism economy while addressing the environmental goals of the 2012 Regional Plan. Possible economic impacts of this initiative are addressed by 1) The anticipated increase in transient occupancy tax (TOT) through higher occupancy rates for existing lodging properties in the commercial and tourist core areas. 2) The planned addition of several hundred new lodging units in the tourist core area. 3) The collection of (TOT) revenue on the "Qualified" vacation rentals operated by permanent residents. When the City Council failed to compromise with the residents, and instead yielded to special interests, it became clear that the voters must decide the future of our residential neighborhoods and community.

LET'S KEEP NEIGHBORHOODS FOR RESIDENTS.

PROPOSERS: Dr. Kenneth Weitzman, 1961 Kokanee Way, South Lake Tahoe, CA 96150, Daniel P. Browne, Jr. 856 El Dorado Ave., South Lake Tahoe, Ca. 96150.



## **TEXT OF THE INITIATIVE**

**This initiative hereby AMENDS Vacation Home Rental Ordinance Article V. 3.50.70 through 3.50.460.**

**All references to specific code sections of the City of SLT are specifically referencing the Vacation Home Rental (VHR) Ordinance.**

This initiative is seeking to eliminate all vacation rentals in residential zones over a three year period, with exceptions for permanent residents who would be permitted to vacation rent their home for a limit of thirty (30) days per year. No new vacation rental permits will be issued except to permanent residents. This initiative has no effect on vacation rentals in commercial zones and the tourist core area.

**The people of the City of South Lake Tahoe find and declare as follows:**

**WHEREAS,**

The city has failed to adequately address resident complaints involving vacation home rentals that have negatively affected the character and livability of our neighborhoods.

Lack of available housing has become an issue for businesses, the school district, government agencies, resorts and potential residents.

The expansion of vacation home rentals in the commercial zones and the tourist core area will continue to support our tourism economy.

**NOW, THEREFORE,**

The People of the City of South Lake Tahoe do ordain that the City of South Lake Tahoe shall not permit any Vacation Home Rental of any real property within any residential zone within the jurisdiction of the City of South Lake Tahoe after December 31, 2021, except as provided herein.

**The entire VHR Ordinance Article V. 3.50.070 through 3.50.460 is hereby incorporated in this initiative except as modified below.**

**3.50.070 Definitions**

**AMEND to ADD the following:**

"Effective Date" is defined as the date of passage by the voters.

"Expiration Date" is defined as December 31, 2021.

"Permanent Resident" is defined as a person who deems his or her dwelling to be their principle place of residency and resides in said residence for the majority of the year, in the City of South Lake Tahoe, and provides proof of a "Homeowners Property Tax Exemption" for the subject residence.

"Qualified" Vacation Home Rental is described as any dwelling located within a residential zone, whose owner is a permanent resident of the City of South Lake Tahoe, residing in said dwelling for the majority of the year. Said owner shall be entitled to vacation rent the entire dwelling for up to 30 days total per one year permit period.

"Guest House" is a separate living space, with or without cooking facilities, on the same parcel as a legally established single family dwelling.

"Homeowners Property Tax Exemption": The California Constitution provides for the exemption of \$7,000 in assessed value from the property tax assessment of any property owned and occupied as the owner's principal place of residence under said exemption. (Article XIII Section 3 of the California Constitution, Rev & Tax 218).

"Residential, Commercial and Tourist Core Area" are delineated in CSLT 2017 Plan Area Map.

**The following are the exceptions to the prohibition of VHRs in residential zones:**

**3.50.380 D Multi Family Dwellings**

**AMEND to ADD the following code section:**

**D. 3.** Owners of a multi- family dwelling unit with a valid vacation home rental permit on the Effective Date of this initiative shall continue to be eligible for renewal of said multi-family dwelling permit. A renewal permit will be issued or denied based on the criteria Vacation Home Rental 3.50.410. All multi-family dwelling unit permits will be discontinued on the expiration date of their permit in the year 2021.

**3.50.380 F Cap**

**AMEND to DELETE code section F.**

### **3.50.410 Review, Issuance and Denial of (VHR) Rental Permit Application**

**AMEND to DELETE the following code sections:** B. 5. and B. 5. a.

**AMEND to REPLACE code section B. 5. with the following:** On the Effective Date, the VHR Cap of 1400 is eliminated.

**AMEND to REPLACE code section B. 5. a. with the following:**

Vacation Home Rentals of real property will continue to be permitted in commercial zones or the tourist core area of the City of South Lake Tahoe.

### **3.50.410 Review, Issuance and Denial of (VHR) Rental Permit Application**

**AMEND to ADD the following:**

E. Any vacation home rental permit, that is current on the Effective Date, issued to any property owner(s) by the City of South Lake Tahoe for a Vacation Home Rental in a residential zone shall continue in force and be eligible for renewal until the permit's expiration date in the year 2021.

No new or additional vacation rental permits will be issued to a non-Qualified property owner after the Effective Date of this initiative.

All existing permits, except Qualified VHR permits, will be discontinued by the Expiration Date, December 31, 2021, unless the permit is revoked prior to December 31, 2021 under provisions in code section: 3.50.420.

### **3.50.410 Review, Issuance and Denial of (VHR) Rental Permit Application**

**AMEND to ADD the following:**

F. Qualified Vacation Home Rental Permit.

An owner who is a permanent resident of the City of South Lake Tahoe, and whose dwelling is located in a residential zone in the City of South Lake Tahoe and who resides in said dwelling for the majority of the year, shall be entitled to rent the entire dwelling for up to 30 (consecutive or non-consecutive) days total per one year permit period. 1) This use shall be limited to only the owner-occupied dwelling unit or one guest house on the same parcel. 2) A vacation rental permit for this type of qualified vacation rental use shall be required and can be applied for at any time after the Effective Date. 3) The owner must provide proof of a Homeowner's Property Tax Exemption for the subject property. 4) These permits are eligible for renewal beyond December 31, 2021. 5) A permit fee will be required along with the collection of transient occupancy tax (TOT).

### **3.50.440 Conditions of Operation. A. Maximum Occupancy**

**AMEND to DELETE code section A. 1.**

**AMEND to ADD the following :**

A. Occupancy of all VHRs in residential zones shall be calculated by multiplying the number of bedrooms by two (2). The maximum occupancy for any vacation rental is twelve (12). The number of on-site paved parking spaces required equals one (1) per four (4) occupants. The voluntary reduction of occupancy in order to reduce fees is not permitted.

### **3.50.450 Enforcement**

**AMEND to ADD the following:**

D. Owner(s) or their agent(s) found operating a VHR without a permit after the Expiration Date (December 31, 2021) shall be fined a minimum of \$1,000 per violation.

**No provision of the City of South Lake Tahoe's Vacation Home Rental Ordinance or Zoning designation that is inconsistent with the language, intent, or purpose of this initiative shall be enforced after the Effective Date. This initiative measure, and all of its provisions, may be amended or repealed only by a majority vote of the electorate.**

**In the event any portion of this initiative is declared by any Court of competent jurisdiction to be unenforceable for any reason, the remaining portions of this initiative shall remain in effect, and to this end the provisions of this initiative are severable.**

#### **DECLARATION OF CIRCULATOR**

(To be completed in circulator's own handwriting after above signatures have been obtained.)

I, \_\_\_\_\_, am 18 years of age or older and registered to vote or am qualified to register to vote in the County of \_\_\_\_\_

My residence address is \_\_\_\_\_ (Address / City / State / Zip)

I circulated this section of the petition and witnessed each of the appended signatures being written. Each signature on this petition is, to the best of my information and belief, the genuine signature of the person whose name it purports to be. All signatures on the document were obtained between the dates of \_\_\_\_\_ and \_\_\_\_\_ (Month / Day / Year) (Month / Day / Year)

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct.

Executed on \_\_\_\_\_ at \_\_\_\_\_, California. \_\_\_\_\_

(Signature of Circulator)