

February 11, 2016
Special Meeting
Community
Development Dept.

Transient Rental
Overlay District

TRANSIENT RENTAL OVERLAY DISTRICT WORKSHOP

Board of Supervisors &
Planning Commission
February 11th, 2016



TROD Adoption Background

>2009

- Proposed “Transient Occupancy Ordinance”

June
2012

- June Mountain Closure

2012

- Chap 25 & 26 get adopted

2013

- First TROD Established

Chap 25 Intent

25.010 Intent.

The Transient Rental Overlay District is intended to provide additional tourism-based economic opportunities and homeowner economic stability by allowing a transient rental district to be overlaid on properties within residential neighborhoods exhibiting support for allowing transient rentals. The land use designation followed by the letters TR (e.g., SFR-TR) would indicate a Transient Rental Overlay District.

Chap 26 Purpose & Findings

26.010 Purpose and Findings.

- A. The purpose of this chapter is to implement procedures, restrictions, and regulations, and to provide for the payment of transient occupancy tax and applicable fees for the transient rental of properties within Transient Rental Overlay Districts designated pursuant to Chapter 25 of the Mono County General Plan and to provide enhanced enforcement tools to address unauthorized transient rentals countywide.
- B. The Board of Supervisors finds that allowing transient rentals within areas of the county designated for residential use will provide a community benefit by expanding the number and types of lodging available to visitors to Mono County, increasing the use of property within the county, and providing revenue to property owners so that the units may be maintained and upgraded.
- C. The Board of Supervisors also finds that the operation of transient rentals within residential communities should be regulated in order to minimize fire hazard, noise, traffic, and parking conflicts and disturbance to the peace and quiet. The Board further finds that current enforcement tools have been ineffective to address the illegal operation of transient rentals countywide, primarily because the penalty amount is easily offset by the revenue such uses generate.

Review of Adopted TROD's

2014

Summary

- **5** Transient Rental Overlay Districts (**4** in June Lake, **1** in Mono Basin) for a total of **14** parcels
- **5** of the **14** have active Vacation Home Rental Permits (3 are vacant parcels)

Applications Denied or Withdrawn

Withdrawn after Invitation to Join Sent:

- **1** Parcel in **Virginia Lakes**
- **1** Parcel in **Lee Vining**
- **1** Parcel in **Rancheria** (Twin Lakes)

Withdrawn after Planning Commission
Recommended Denial:

- **2** Applicants representing **6** parcels in **June Lake**

Concerns/Issues

- What constitutes a neighborhood?
- Encouraging districts vs. single parcel applications
- Affordable housing availability (removing potential long term rentals)
- Demand for SFR type of lodging
- Creation of 'hotel districts' in residential areas
- Neighbor concerns:
 - Strangers
 - Unfamiliarity with area:
 - Roads
 - Snow Conditions
 - Bear Aware
 - Fire Danger
 - Noise Impacts
 - Parties
 - Trespassing
 - Self-policing
 - Parking
- Lack of Code Enforcement staff

How is it working?

- TROD proposals with controversy or opposition have been denied
- Process can be time consuming
- Process puts onus on applicants (home owners) to pursue TROD and outreach
- Opponents of a project must actively engage in public process to get concerns heard
- Existing VHRP's Comments/Experience have been positive

Code Enforcement Update

- Current Illegal Rental Market
 1. Seen all over the County from Mono City to Swall Meadows.
 2. Currently taken enforcement action and monitoring 12 illegal rentals. June remains static most new activity is in Crowley.
 3. Through enforcement actions successfully closed down 9 rentals mostly in June Lake.
 4. Issued 3 Administrative Citations totaling \$15,000 for illegal rentals. Currently one is awaiting a Superior Court appeal.
 5. Illegal rentals account for all complaints received. Code Compliance has received no complaints on legal rentals in TROD's. Most illegal rentals go unnoticed or unreported by neighbors and only a handful have caused conflict.
 6. Code Enforcement procedures for these violations remains very time and resource consuming.

Overview of Chap 26 Requirements.

Home Vacation Permit Requirements

- Health and safety standards.
- Sign and notification requirements.
- Sets parking, occupancy, solid waste and snow removal standards.
- Rental agreement including all standards

Enforcement Component

- Sets fines at \$1,000 first violation \$2,000 each additional violation of any Ch 26 provision.
- Sets procedures for permit revocation

Alternatives

- Make changes to Chapters 25 & 26; such as
 - Requiring Minimum Infrastructure (snow removal/County maintained roads-ZOBs, etc)
 - Require a CUP
 - Ability to condition VHRP (i.e. seasonal use only)
- Review other jurisdictions for possible solutions to issues...
Ranging anywhere from:
 - Allowing STR's outright (with an OTC permit)
 - Limiting the # of STR's based off a defined size (neighborhood/community)
 - Use Permit
 - Zone Change
 - Prohibition on Vacation Rental but allows "Home-Sharing"

Moving Forward..

- Status Quo
- Amend Chapters 25 and/or 26 as directed
- Research other jurisdictions for possible alternatives
- Repeal Chapter 25
 - Amend 26 to only appl to existing VHRP
- Others?

Other Examples

- Type 1 vs. Type 2: Cap at 3% within a census tract for Not Owner-Occupied; no limit on Owner-Occupied.
- Both require an annual license fee, proof of insurance and tax payment. No addtl planning permit.
- Setting limits on allowed number of rental nights
- CA Coastal Commission has ruled STR enable greater access to the coast and therefore should be allowed

Transient Rental Ordinance

The proposed ordinance would create a program to facilitate transient (less than 30 days) rentals of residential properties in the county, where existing land use designations permit such use. **The ordinance would not**

permit transient rentals where they are currently prohibited, except in one area--Estate Residential

in June Lake (Double Eagle). **The ordinance does**

establish that transient rentals would be permitted in so-called “overlay zones,”

but the creation of those zones is not part of the ordinance, and is left to a future

debate. The ordinance requires property owners to obtain a permit, to pay TOT, and to be available 24 hrs (or have an available manager) to deal with any problems that would arise. Properties would have to meet building code requirements for transient occupancy.