

TOWN OF TRUCKEE
California

ORDINANCE 2025-05

**AN ORDINANCE OF THE TOWN COUNCIL OF THE TOWN OF TRUCKEE, AMENDING
CHAPTER 5.02 OF THE TRUCKEE MUNICIPAL CODE PERTAINING TO TRANSIENT
RENTALS OF RESIDENTIAL UNITS**

WHEREAS, the Truckee Town Council has previously adopted Chapter 5.02 of the Truckee Municipal Code, establishing a regulatory structure for properties used as short-term rentals and hosted rentals; and

WHEREAS, the Truckee Town Council established specific registration procedures and requirements and operating standards for hosted rentals by incorporating such standards into Chapter 5.02 of Truckee Municipal Code; and

WHEREAS, the Town Council wishes to amend various provisions of this chapter in order to clarify them and facilitate the implementation of the ordinances by Town staff;

The Town Council of the Town of Truckee Does Ordain as Follows:

Section 1. The recitals above are incorporated herein.

Section 2. This ordinance does not qualify as a “project” subject to the California Environmental Quality Act (“CEQA”) because the ordinance will not result in a direct or reasonably foreseeable indirect physical change in the environment. (State CEQA Guidelines, § 15060(c)(2)-(3), 15378.) Notably, the ordinance serves to establish a cap on the number of transient occupancy registration certificates issued for short-term rental properties, allows for some transient occupancy registration certificates to be provided to developers of workforce housing, and harmonizes provisions of the Municipal Code relating to transient occupancy registration certificates. The ordinance will not result in any construction or any other physical change to the environment. Moreover, the ordinance does not change the land use designation or zoning for any site within the Town’s boundaries. Thus, the ordinance will not result in direct or reasonably foreseeable indirect physical changes in the environment and is not a “project” within the meaning of CEQA.

In the alternative, if the ordinance is a project subject to CEQA, the ordinance is exempt from environmental review for at least two reasons. First, and for the same reasons the ordinance does not qualify as a “project,” the ordinance falls within the “common sense” exemption because “it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment.” (State CEQA Guidelines, § 15061(b)(3).) Specifically, and as noted above, the ordinance will not result in any construction or any other physical change to the environment, and it will not change any land use designation or zoning for any site within the Town’s boundaries. There is thus no possibility that the ordinance would have a significant effect on the environment.

Second, the ordinance falls within the Class 1 categorical exemption, which applies to the operation, permitting, and licensing of existing structures where the activity in question results in negligible or no expansion of use. (State CEQA Guidelines, § 15301.) Here, the ordinance relates to transient occupancy registration certificates issued for short-term rental properties for units that have already been constructed in the Town; accordingly, the ordinance relates to the operation, permitting, and licensing of existing structures as short-term rental properties, and the ordinance does expand the existing use of these properties. The ordinance does not authorize the construction of new uses and does not result in land use or zoning changes, which could alter the density of development on sites where short-term rental uses could occur. In fact, the ordinance seeks to limit the number of transient occupancy registration certificates that the Town issues going forward. To the extent that the ordinance incentivizes construction of workforce housing in other areas of the Town by making available transient occupancy registration certificates to those projects, the incentive would not intensify residential development in the Town. Any new housing projects will be fully evaluated for CEQA compliance and any future transient occupancy registration certificates that are issued would have to comply with the Town's existing regulations for short-term rental uses. The ordinance is thus categorically exempt from CEQA.

With regard to the Class 1 categorical exemption, none of the exceptions to the Class 1 exemption apply as the ordinance will not result in any physical change to the environment and will not result in any potentially significant impact. (State CEQA Guidelines, § 15300.2.)

Each of the foregoing justifications fully and independently exempts the whole of the action from environmental review under CEQA.

Section 3. Amendments to Chapter 5.02

Chapter 5.02 of the Truckee Municipal Code is hereby amended by amending Sections 5.02.010, 5.02.020, 5.02.030, 5.02.040, 5.02.060, and 5.02.070 as follows:

- A. Section 5.02.010 is amended by amending the "Purpose" to read as follows:

Truckee is known for its scenic beauty and recreational opportunities. Short-term rentals and/or hosted rentals have existed in Truckee for many years, but a surge in popularity of this type of lodging in Truckee has created a need to protect the health and safety of residents and guests and to protect the environment, by establishing a registration system, operating procedures, standards and limitations for short-term rentals and hosted rentals in Truckee. All requirements, regulations and standards imposed by this chapter are intended to apply in addition to any other applicable requirements, regulations and standards imposed elsewhere in the Truckee Municipal Code, state and federal law.

- B. Section 5.02.020 is amended by amending the "Hosted Rental" definition and "Operator" definition to read as follows:

"Hosted rental" means one permitted bedroom within a dwelling unit where the homeowner (or tenant, to the extent permitted by subsection F.5 of Section 5.02.030 of this chapter) occupies the dwelling unit as their primary place of residence, and where one designated bedroom is rented for the purpose of continuous overnight lodging for a period of not less than one night and not more than thirty (30) consecutive days.

“Hosted rental contact person” means the individual homeowner (or tenant, to the extent permitted by subsection F.5 of Section 5.02.030 of this chapter) designated for a hosted rental who will reside on-site with the renter in the primary dwelling unit, and who has access and authority to assume management of the hosted rental.

“Operator” means any and all of the following: (i) the person who is a legal owner of a short-term rental and/or a hosted rental; (ii) a person who has the legal right to possession of a short-term rental and/or a hosted rental; (iii) a person who has a legal right to receive or collect any monies as rent for the occupancy of a short-term rental and/or a hosted rental; and (iv) any manager, agent, representative or other similar person acting under the authority or at the direction of the owner or other operator of a short-term rental.

- C. Section 5.02.030 is amended by amending paragraph E(5), adding E(10), amending F(1) and F(2), and adding F(5) thereof to read respectively as follows:

E(5). Proof of primary residence, including a copy of the owner’s property tax bill showing a homeowner’s exemption if the property owner is the operator, or an affidavit of primary residency if the operator is a tenant meeting the criteria of subsection F.5 of this section.

E(10). If a tenant meeting the criteria of subsection F.5 of this section is the operator, a copy of a lease agreement, lease amendment, or notarized letter from the property owner authorizing the operator to operate one bedroom of the property as a hosted rental and acknowledging that the property owner and operator are jointly and severally liable for violations of this chapter.

F(1). Hosted Rental Transient Occupancy Registration Certificates Prohibited for Bedrooms that Contain a Cooking Facility or Sink. No hosted rental transient occupancy registration certificate will be issued for a bedroom that contains a kitchen, cooking facility, wet bar, or sink outside of a permitted bathroom area that did not have a certificate for a bedroom that included such kitchen, cooking facility, wet bar or sink prior May 24, 2022. Except as provided in subsection 5 below, no hosted rental transient occupancy registration certificate will be issued to an operator other than the homeowner.

F(2). Change of Ownership. A hosted rental transient occupancy registration certificate shall expire upon the change of ownership of the property for which the certificate was issued, regardless of whether the buyer or any other person has informed the Town of the change of ownership. The new owner, or a tenant meeting the criteria of subsection 5 below, may apply for a new transient occupancy registration certificate, unless otherwise prohibited.

F(5). An operator of a hosted rental who: (i) is not the owner, but is a lawful occupant of the property pursuant to a lease with a term greater than 30 days; (ii) occupies the property as the operator’s primary residence; (iii) held a valid bed and breakfast inn transient occupancy registration certificate in good standing as of May 24, 2022 for the same address; and (iv) has continuously operated the dwelling as a hosted rental in good standing since that date, may apply for and obtain a hosted rental transient occupancy registration certificate notwithstanding subsection 1 above, subject to all the requirements of subsection E of this section other than the requirement to provide the property owner’s tax bill. A hosted rental transient occupancy registration certificate issued pursuant to this subsection 5 shall expire upon the expiration or termination of the tenancy of the certificate holder, and may not thereafter be revived or reissued to a new tenant, or to the same tenant occupying a different property.

- D. Section 5.02.040 is amended by amending paragraph B(2) thereof to read as follows:

B(2). Hosted rental contact person. An individual homeowner (or tenant, to the extent permitted by subsection F.5 of Section 5.02.030 of this chapter) designated as the hosted rental contact person shall reside on-site with the renter in the primary dwelling unit during the rental stay, shall be personally available by telephone on a twenty-four (24) hour basis and shall respond by phone within thirty (30) minutes of contact by Town of Truckee employees or agents or the guest(s). Upon receiving a call or complaint about physical conditions or circumstances that constitute an immediate threat to the public health and safety, the hosted rental contact person shall immediately contact the appropriate law enforcement, fire, or other authority. Upon receiving any other call or complaint about the hosted rental, the hosted rental contact person shall take steps to investigate the complaint and cause the discontinuance of any violation of this chapter within sixty (60) minutes. Within sixty (60) minutes the hosted rental contact person shall submit a verbal or written explanation to the Town of Truckee describing the steps the hosted rental contact person has taken to investigate the complaint, to confirm whether a violation has occurred, and to resolve any violation that has occurred.

- E. Section 5.02.060 is amended by amending the “Penalties; certificate denial, suspension, and revocation” introduction and paragraph B(3) thereof to read as follows:

“Penalties; certificate denial, suspension, and revocation” It is a misdemeanor and a public nuisance that poses a threat to public health and safety, to violate any of the provisions of this chapter. Violations of this chapter are subject to the administrative citation provisions set forth in Chapter 1.03 of this code, provided that fines for violations of this chapter, and the appeal process, shall be as set forth below. Any person violating the provisions of this chapter, including without limitation guests, operators, and local or hosted rental contact persons may be subject to administrative and/or judicial remedies as set forth herein. The owner of a short-term rental or hosted rental shall be deemed responsible and liable for all violations of this chapter occurring at the short-term rental or hosted rental or in connection with its operation, provided that this shall not preclude the Town from issuing fines or citations to guests, or exercising other remedies against guests, if the guests are deemed to have committed the violation. Notwithstanding the foregoing, an owner and a non-owner operator of a hosted rental pursuant to subsection F.5 of Section 5.02.030 of this chapter shall be jointly and severally liable for all violations of this chapter. In addition, the Town shall have the authority to suspend or revoke the transient occupancy registration certificate, or to maintain an action for injunctive relief. Unless otherwise expressly provided, the remedies, procedures and penalties provided by this section are cumulative as to each other and to any others available under state law or this code. In the event of any conflict between the penalties set forth in this chapter and any penalties set forth in state law, the maximum penalties allowable under state law shall govern. Each day or portion of a day during which a violation of this chapter exists shall constitute a separate violation.

B(3). The short-term rental or hosted rental, operator or guest is currently in violation of, or has been found to be in violation of, any local, state or federal laws, statutes, ordinances, rules or regulations pertaining to the operation of a short-term rental and/or hosted rental, and the violation has not been cured or the property otherwise brought into compliance, for a period of at least 30 days after the Town has notified the operator of the violation. Additionally, the holder of a suspended transient occupancy registration certificate(s) shall not be permitted to apply for a renewal of the transient occupancy registration certificate for the following year during any period in which the basis for the suspension has not been cured, remedied, or brought into compliance.

- F. Section 5.02.070 is amended by amending the “Changes in ownership” to read as follows:

Transient occupancy registration certificates do not provide a vested interest in or entitlement to the continued operation of a short-term rental or hosted rental upon a change of property ownership or the expiration or termination of a tenancy pursuant to subsection F.5 of Section 5.02.030 of this chapter, and any outstanding transient occupancy registration certificate shall expire upon the change of ownership or the expiration or termination of a tenancy. The new owner of a property for which a transient occupancy registration certificate has been issued shall notify the Town upon a change of ownership of the property. Transient occupancy registration certificates shall not run with the land and shall expire upon any partial or complete transfer of ownership of a property, whether or not notice of the change in ownership has been provided to the Town.

Section 4. If any provision of this ordinance or the application thereof to any person or circumstances is held by a court of competent jurisdiction to be invalid, such invalidity shall not affect other provisions or applications, and to this end the provisions of this ordinance are declared to be severable.

Section 5. The Town Clerk is hereby directed to publish this ordinance or a summary thereof in accordance with the law.

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The foregoing ordinance was introduced at a regular meeting of the Truckee Town Council held on the 10th day of June 2025, and adopted at a regular meeting of the Truckee Town Council, on the 24th day of June 2025; _____ moved for the adoption, the motion was seconded by _____ and was carried by the following vote:

AYES:

NOES:

ABSENT:

Jan Zabriskie, Mayor

ATTEST:

APPROVED AS TO FORM:

Kelly Carpenter, Town Clerk

Andy Morris, Town Attorney