

# Long-Term Stay Motels

February 27, 2020

# Long-Term Stay Motels – General Facts



- Mid-1990's: Zoning ordinance enacted defining hotels/motels as lodging "on a transient basis less than 28 consecutive days."
- Motels in existence at the time of adoption of that ordinance are "grandfathered" (CCMC 18.04.030 Nonconforming Uses).
- "Extended-stay hotels" for "long-term occupancy up to a maximum of 180 days" are permitted in LI & TC, conditional (SUP) in RC, GC & DTMU.
- Many motels are not providing required cleaning and linen services (per NAC, health codes).
- Motels are the only housing option for many who cannot afford the move-in costs of an apartment
- Social service agencies rely on motels for quick housing placement.

#### For Consideration . . .



### Transient Lodging Tax

4.08.100 - Exemptions.

There is excepted from the transient lodging tax each rental by a licensee of a room or rooms made for a period of twenty-eight (28) days or more. This exemption, however, applies only where payment is made for the entire twenty-eight (28) day period upon arrival, in which case the exemption commences on the first day of occupancy; or payment is made for less than twenty-eight (28) days upon arrival, in which case the exemption commences on the twenty-ninth (29th) day of occupancy.

# **Possible Alternatives**



- Amend code (Chapter 4.08) to eliminate long-term stay transient lodging tax exemption.
- Amend code (Title 18) to eliminate grandfathering of existing long-term stay motels.
- Require all hotels and motels to provide services (e.g. cleaning, linens, etc.) per NRS 447 (Public Health and Safety, Public Accommodations); or
- Convert the hotel/motel to residential (bringing up to current residential codes).
- Continue basic health-safety inspections.

#### **Pros & Cons of Alternatives**



- Amend code (Chapter 4.08) to eliminate long-term stay transient lodging tax exemption.
  - Pros: More TLT collected.
  - Cons: Tax will likely be passed on to customers, who may have difficulty affording it.
- Amend code (Title 18) to eliminate grandfathering of existing long-term stay motels.
  - Pros: More TLT collected.
  - Cons: Tax will likely be passed on to customers, who may have difficulty affording it; difficulty enforcement limits on length of individuals' stays.

#### **Pros & Cons of Alternatives**



- Require all hotels and motels to provide services (e.g. cleaning, linens, etc.) per NRS 447.
  - Pros: Will ensure rooms are periodically cleaned, improving living conditions.
  - Cons: Costs will likely be passed on to customers; ability for City staff to inspect and enforce requirements.
- Convert the hotel/motel to residential (bringing up to current residential codes).
  - Pros: Buildings would be improved to current codes for living accommodations.
  - Cons: Most motels lack parking in compliance with parking standards (though studio apartments would typically generate less demand); the housing would cost more; could be costly conversion for some motels.

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- Convert the hotel/motel to residential (bringing up to current residential codes).
- Continue basic health-safety inspections.
- Others?