VHRs – from alternative to mainstream lodging

By Jason Hildago, Reno Gazette-Journal

Lake Tahoe’s vacation home rental scenario is a microcosm of a massive movement with global legs. Estimated as a $100 billion industry in 2016, the vacation rental market is projected to grow to $169.7 billion worldwide by next year, according to international data provider Research and Markets.

Europeans, with their long history of holiday home use, have especially embraced vacation rentals. In 2015, half of travelers in Europe used private accommodations, according to Phocuswright, an international travel, tourism and hospitality market research firm. Private accommodation is a term that encompasses rentals such as park lodges, vacation rental management company offerings, privately owned homes, rooms or even couches that are rented out to travelers.

Another big player in the space is the United States. In 2011, one in 10 U.S. travelers used what was then called “alternative accommodations,” said Douglas Quinby, Phocuswright senior vice president of research, at last year’s Phocuswright Europe conference.

Read the whole story

Nev. gaming officials propose

regulation changes

By Richard N. Velotta, Las Vegas Review-Journal

Casino licensees would get clarity on responding to customers who appear to be impaired by drugs and out-of-state sports bettors would be able to be paid winnings easier under changes to gaming regulations that have been proposed to the Nevada Gaming Commission.

The state Gaming Control Board on Wednesday unanimously recommended approval of proposed amendments to four regulations that will be considered by the commission at its April 19 meeting.

Read the whole story

Nev. looks to learn from past mistakes in health platform switch

By Yvonne Gonzalez, Las Vegas Sun

CARSON CITY — The state's health exchange under the Affordable Care Act is moving off the federal platform for signing up for insurance, relying on lessons learned in the past and in other states.

Vendors have until 2pm April 13 to file proposals with the Silver State Health Exchange and must adhere to strict requirements. The goal is to avoid mistakes made the first time around, said Heather Korbulic, the exchange's executive director.

Korbulic said only about a handful of companies have built successful platforms under the Affordable Care Act.

Read the whole story

SLT to discuss future of city manager, city attorney

By Kathryn Reed

The South Lake Tahoe City Council on April 17 is expected to make progress on finding a city manager and city attorney.

Mayor Wendy David at last week's meeting asked for the topic to be put on the next agenda.

Since then Fire Chief Jeff Meston has **tendered his resignation** as acting city manager.

David told *Lake Tahoe News* she expects the agenda item to be written in such a way that short-term and long-term solutions for that position can be discussed. She also wants to discuss whether to hire in-house counsel or a firm to handle the legal issues.

While the midyear budget was discussed at the April 3 meeting, little was agreed to. What wasn't in the proposal from staff was hiring an interim city manager because it was assumed Meston would do it through September without added compensation.

The electeds next week should also have multiple recruiting firms from which to choose. It remains to be seen if the same firm can be used for both positions.

"I'm very appreciative of him stepping up to perform as our acting city manager, while also holding two other positions at same time," David said of Meston. "It's been a strain on his time. I understand he has other priorities and that we need to look for an interim city manager."

The vacancy was created earlier this year when the council opted to sever ties with City Manager Nancy Kerry for undisclosed reasons.

Institutional investors an issue in Calif. housing

By Matt Levin, CalMatters

Astronomical prices are forcing a rising share of California families to postpone buying a house. As a result, the state's record-low homeownership rate has been a boon to one growing segment of California's housing market: single-family home rentals.

Between 2005 and 2015, the number of owner-occupied homes in California shrunk by nearly 64,000 units, according to the Public Policy Institute of California. Meanwhile the number of renter-occupied homes increased dramatically. California now has 450,000 more homes used as rentals than it did a decade ago. Compare that to the 1990s, when the number of rented homes grew by less than 120,000 while the state added 700,000 homes owned by the people who live in them.

The rising tide of single-family rentals has renewed attention on who actually receives the rent payments that nearly 2 million Californians make each month. Lawmakers and first-time homeowner advocates have been scrutinizing a relatively new form of landlord: private investment firms that snapped up thousands of homes during the foreclosure crisis and now rent them out. With nearly one in four California homes now purchased in all-cash, these well-financed institutional investors have also been blamed as unfair competition against families bidding on starter homes.

So how much are institutional investors impacting California's housing prices? The data says not so much now.

Institutional investors accounted for less than 2 percent of California single-family home sales last year.
Typically the term "institutional investor" refers to private investment firms that buy dozens of residential properties with the explicit aim of generating a steady income stream through rentals. Often they invest the money of wealthy individuals and public pension funds, like those established for California state workers and teachers.

The best example is Blackstone, a publicly traded Wall Street firm that barrelled into the country's single-family home market in the depths of the Great Recession in the late 2000s. Through its residential investment-focused subsidiary, Invitation Homes, Blackstone is now the largest owner of single-family homes nationwide. In California, they own about 13,000 homes.

But firms such as Blackstone have stopped buying wide swaths of California homes. According to the real estate data firm ATTOM Data Solutions, which defines institutional investors as entities that buy 10 or more homes in a given year, institutional investors accounted for less than 2 percent of the state's single-family home and condo sales in 2017.

That’s a pretty steep drop from as recently as 2012, when institutional investors accounted for about 7 percent of sales.

Why the decline? California no longer has a glut of cheap houses that can be easily gobbled up in foreclosure auctions. A sustained economic recovery and a lack of construction of new housing has sent housing prices skyrocketing. It’s now too expensive for institutional investors to buy lots of California homes. Blackstone’s Invitation Homes bought only 82 California houses last year.

“The low inventory and homeownership rates are good (for investors) if they own the property—it means more renters,” says Daren Blomquist, senior vice president at the real estate data firm ATTOM. “But it’s bad if they’re trying to acquire more properties.”

Those all-cash offers beating out would-be homebuyers aren’t coming from large investment firms anymore. Wealthy “mom-and-pop” landlords—families that can afford to buy another house and rent it out as an investment—now dominate the single-family rental market. Among all single-family rentals nationally, about 80 percent are owned by individuals that rent out just one or two homes, according to ATTOM.

But aren’t institutional investors keeping houses off the market—and doesn’t that drive up prices?

Institutional investors aren’t keeping enough homes off the market statewide to blame them wholesale for California’s astronomical housing prices. But in certain local markets—especially in areas hit hard by the foreclosure crisis, such as the Central Valley and Inland Empire—it’s impossible to pretend they have no influence.

Among cities with at least 100,000 residents, Sacramento has seen the most properties sold to institutional investors since 2007, according to ATTOM’s data—about 6 percent of all homes sold in the city during that time span. San Bernardino and neighboring Rialto have seen the largest share of their housing stock bought by institutional investors, at roughly 10 percent. Firms have largely stayed away from Bay Area cities, where the foreclosure crisis was less acute and where housing prices are among the most expensive in the country.

“We do not believe our activity impacts prices at any level,” a spokeswoman for Blackstone subsidiary Invitation Homes wrote in response to questions.

Institutional investors have targeted the typical starter home in these cities—three bedroom, two bath houses at a price point that a few years ago could have been afforded by younger families. So in some cases, would-be first-time homebuyers are now renting in places they may have bought just a few years ago.

Still, investment firm ownership in these areas is much lower than in Atlanta or Phoenix, where they’ve made nearly one in four home purchases. And young families are more likely to rent homes from smaller landlords.

Reports of institutional investors making all-cash offers on California homes caught the attention of state Sen. Ian Calderon, D-Whittier, when he was attempting to move out of his apartment and purchase his first house last year. While the 32-year-old lawmaker acknowledges that institutional investors don’t own a large chunk of California’s housing stock, he says he’s concerned their influence is yet another hurdle for young homebuyers to overcome.

“I just want to be able to have more information about these firms, and ultimately I want to advantage first-time homebuyers,” said Calderon. “I want to make sure that people aren’t getting screwed.”

Multiple attempts by Calderon to impose more transparency on institutional investor activity while blunting their ability to make all-cash offers have not gone far in the Legislature. Two years ago, a bill that would have forced homeowners to wait 90 days before selling to large institutional investors failed to clear both chambers with that provision intact.

Last year, a bill that would have required investors who own more than 100 properties in California to register with the state and provide detailed information on their activities again failed to reach the governor's desk. Caldeorn says there's a good chance that bill will be resuscitated this year.

The California Apartment Association, which represents landlords across the state for both multifamily and single-family units, has opposed much of Calderon's legislation, arguing that much of the information it seeks is available in public stock exchange filings. That's mostly true, but that only applies to publicly traded firms, and the data is not in the most accessible format.

Landlords also says Calderon's bill doesn't address the root cause of the problem.

"The bottom line here is about supply," said Debra Carlton, lobbyist for the California Apartment Association. "There's just not enough housing to go around so you end up in these unfortunate situations where people can't buy and can't afford a place to rent."

Bi-state evacuation drill

planned for North Shore

A full scale simulated wildland fire and community evacuation drill will be staged at the Tahoe Biltmore in Crystal Bay on May 19.

North Lake Tahoe Fire Protection District along with Washoe County Emergency Management, Washoe County Sheriff's Office, Nevada Highway Patrol, California Highway Patrol, North Tahoe Fire Protection District, CalFire, Placer County Emergency Management, Placer County Sheriff's Department, Red Cross, IVGID, and partnering agencies will be participating.

On the day of the drill, Kings Beach and Incline Village/Crystal Bay residents will be receiving a reverse dial 911 call, which will test the system announcing the drill. The bi-state fire evacuation drill will affect Kings Beach, Incline Village and Crystal Bay neighborhoods, affecting approximately 1,100 residents. Residents are asked to voluntarily evacuate to Tahoe Biltmore.

Anyone may attend the drill and safety fair at the evacuation center and incident command post inside the Tahoe Biltmore between 9:30am and 2:30pm.

There will be a free lunch, information booths and displays. Helicopters will be performing water drops above Crystal Bay. For a map of the affected areas and emergency preparedness classes, go **online**.

Nev. gathering comments on funding low-income areas

By Nicole Raz, Las Vegas Review-Journal

The Governor's Office of Economic Development is accepting public comment on which areas throughout the state should be designated as Opportunity Zones.

The zones are low-income urban and rural areas where the federal government will provide tax incentives for private investment – by individuals or businesses – into Opportunity Funds.

Read the whole story

Homeless numbers drop in Placer County

Placer County's homeless population decreased slightly compared to the previous year, according to county results from the annual point-in-time count published by the Homeless Resource Council of the Sierras.

A total of 584 homeless individuals were counted across the county, from Roseville to North Lake Tahoe. The count surveyed unsheltered and sheltered individuals. It was conducted by volunteers and county staff on the night of Jan. 24. By comparison, 663 homeless individuals were identified in the 2017 count.

Of adults who responded to detailed survey questions, 39 percent were chronically homeless, 41 percent reported having a serious mental illness, and 23 percent had a substance use disorder.

Point-in-time counts are not a comprehensive measure of an area's homeless population, but rather snapshots from a single day that can be used to approximate broad trends. Officials say they are viewed as undercounts for a community's yearly overall homeless population because many people may move in and out of homelessness throughout the year.

EDC men accused of violating Clean Water Act

Two El Dorado County men face charges related to the federal Clean Water Act.

Christopher Young, 41, of El Dorado Hills is charged with conspiracy, 12 counts of tampering with monitoring equipment, two counts of unlawful discharge of industrial wastewater, one count of false statements, and one count of witness tampering.

The same indictment charges his brother, Jeremiah Young, 38, of El Dorado, with conspiracy, eight counts of tampering with monitoring equipment, and two counts of unlawful discharge of industrial wastewater.

A federal grand jury handed down the indictment on April 6 against American Biodiesel Inc., aka Community Fuels, and the Young brothers who were employees at its biodiesel fuel manufacturing plant in Stockton. The company is charged with conspiracy, 12 counts of tampering with monitoring equipment, two counts of unlawful discharge of industrial wastewater, and one count of false statements.

The indictment alleges that from March 2009 through December 2016, Christopher Young directed employees to tamper with pH, and flow and volume monitoring devices to allow Community Fuels to discharge hundreds of thousands of gallons of polluted industrial wastewater into Stockton Municipal Utility District's sewer in violation of the company's wastewater discharge permit and in violation of the Clean Water Act. Jeremiah Young allegedly participated in the conspiracy.

According to court records, the contaminants were methanol, glycerin, oils and fats, and acids.

The company was supposed to use tanker trucks to haul the wastewater to the East Bay Municipal Utility District wastewater treatment plant in Oakland.

If convicted, Christopher Young faces a maximum of 30 years in prison and a fine of $4.25 million, Jeremiah Young faces a maximum statutory penalty of 10 years in prison a fine of $2.5 million, and the company could be fined $4 million if found at fault.

— Lake Tahoe News staff report

Sandoval bucks Trump's plan for border troops

By Andrew Harnik, AP

RENO — Gov. Brian Sandoval opposes President Trump's current proposal to send thousands of National Guard members to the U.S.-Mexico border to help federal officials fight illegal immigration and drug trafficking.

Sandoval's press secretary Mary-Sarah Kinner said in an email to the A*ssociated Press* on Friday that Sandoval doesn't believe the current proposal would be "an appropriate use of the Nevada National Guard."

Read the whole story