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Resort Tax Districts, Tahoe Basin Permit Caps, and Coachella Valley R-1 Bans: Reallocating Tourism Revenue to Workforce Housing Across 187 Enacted Regimes

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Abstract. Evaluating eight Western mountain, lake, wine, and desert gateways across 187 regimes (141 U.S. peer benchmarks) shows how dedicated resort-tax bonds in Big Sky and TBID-decoupled TOT funds in Placer County finance workforce housing alongside hard permit caps and desert R-1 bans. Empirical highlights: 4.0% Resort Tax (Big Sky Resort Area District levy (12% total stack) dedicating a 1% bond tranche to $50M+ in water, sewer & workforce housing); 3,900 / 900 Caps (Hard Tahoe Basin residential STR ceilings in Placer County (3,900) and El Dorado County (900 with 500-ft buffers)); 187 Regimes (Enacted global & U.S. laws live in MTRI Dataset v17.0 (141 pre-built U.S. municipal peer checkout pages)).

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4.0% Resort Tax Big Sky Resort Area District levy (12% total stack) dedicating a 1% bond tranche to $50M+ in water, sewer & workforce housing	**3,900 / 900 Caps** Hard Tahoe Basin residential STR ceilings in Placer County (3,900) and El Dorado County (900 with 500-ft buffers)	**187 Regimes** Enacted global & U.S. laws live in MTRI Dataset v17.0 (141 pre-built U.S. municipal peer checkout pages)

1. Decoupling destination marketing from TOT to finance mountain workforce housing

Across Western ski, lake, and national-park gateways, housing unaffordability for resort workers has eclipsed hotel occupancy as the dominant municipal fiscal risk. Version 17.0 of the Meridian Global Visitor Charges & Caps Dataset (187 enacted regimes and 141 U.S. peer benchmarks) reveals a decisive financing pivot: replacing general-fund tourism marketing with self-funded Tourism Business Improvement Districts (TBIDs) or voter-approved Resort Tax add-ons so municipal TOT dollars can directly fund workforce housing and water/sewer bonds.[1]

In unincorporated Big Sky, Montana, voters expanded the Big Sky Resort Area District tax to 4.0 percent (12.0 percent combined with Montana’s 8.0-percent state lodging tax), dedicating a ring-fenced 1.0-percent tranche to finance over $50 million in water, sewer, and workforce-housing infrastructure under M.C.A. § 7-6-1501. Similarly, Glacier gateway Whitefish allocates 25 percent of its 3.0-percent municipal resort tax directly to local homeowner property-tax relief while prohibiting short-term rentals across most single-family zones.[2]

Table 1. Western mountain, Tahoe Basin, wine-country, and desert resort-tax districts and STR ceilings (2026)

Jurisdiction	Enacted Tax Stack	Workforce / Relief Split	STR Cap / Zoning Rule	Enforcement Lever	Primary Statute
Big Sky, MT	12.0% (8%+4% Dist.)	1% housing/sewer bond	Unincorporated district	Resort Tax Board	M.C.A. § 7-6-1501
Whitefish, MT	11.0% (8%+3% Res.)	25% homeowner tax cut	Single-family res. ban	Title 11 compliance	Whitefish Title 3 & 11
Ashland, OR	11.5% (10%+1.5% OR)	General & DMO split	Owner-occ. 200ft rule	Planning permit	AMC Ch. 4.24 & 18.2.3
Placer / N. Tahoe, CA	12.0% (10%+2% TBID)	TOT freed for housing	Hard 3,900 STR cap	Fire insp. + $638 fee	Placer Art. 9.42
El Dorado Tahoe, CA	10.0% County TOT	General & basin roads	Hard 900 VHR + 500ft	Waitlist & cap	EDC Code Ch. 5.56
City of Sonoma, CA	15.0% (13%+2% TID)	General & Plaza infra.	Residential VR ban	Code enforcement	SMC § 19.50.090
Palm Desert, CA	12.0% (11%+1% TBID)	General & GPS TBID	R-1 / R-2 STR ban	HOA/resort only	PDMC Ch. 5.10
La Quinta, CA	11.0% (10%+1% TBID)	General & GPS TBID	Permanent non-ex. ban	Non-transferable	LQMC Ch. 3.25

2. Lake Tahoe’s dual-county permit ceilings: 3,900 permits in Placer vs. 900 permits + 500-ft buffers in El Dorado

Along California’s Lake Tahoe shoreline, neighboring counties illustrate two distinct quantitative-cap architectures paired with TBID-freed housing budgets. Eastern Placer County (North Lake Tahoe) created a 2.0-percent TBID to fund destination stewardship while redirecting its 10.0-percent TOT (12.0 percent combined) toward deed-restricted workforce housing and micro-transit, enforced alongside a hard 3,900-permit residential STR ceiling, fire-district inspections, and $259–$638 annual permits.[3]

Immediately south, unincorporated El Dorado County enacted Ordinance 5135 establishing a hard 900-permit Tahoe Basin Vacation Home Rental cap reinforced by a mandatory 500-foot parcel separation buffer to eliminate commercial block clustering, while Ashland, Oregon relies on owner-residency and 200-foot arterial-corridor zoning alongside an 11.5-percent lodging stack.

3. Wine-country and Coachella Valley R-1 bans: preserving hotel TOT without residential friction

In California’s wine-country and desert resort corridors, cities with robust resort-hotel inventories have moved beyond numerical caps to outright single-family residential prohibitions. The City of Sonoma bars residential vacation rentals citywide while collecting a 15.0-percent hotel TOT/TID stack; Palm Desert bans stays under 28 days in R-1 and R-2 zones (12.0-percent stack); and La Quinta enacted Ordinance 591 permanently barring new non-exempt residential STVR permits—a policy upheld by voters when Measure A failed in 2022.[4]

Mountain, lake, and desert finance directors drafting 2027 housing and lodging measures should evaluate Placer County’s TBID-for-TOT swap and Big Sky’s dedicated 1-percent bond tranche before proposing across-the-board rate hikes.

References

[1] Chaiwat Saechueng and Mukesh Thakur, Global Dataset of Enacted Visitor Levies, Cruise Berth Caps, Timed-Entry Quotas, and Short-Term Rental Laws (2026 Edition — 187 Jurisdictions), v17.0, Meridian Tourism Research Institute / Harvard Dataverse, https://doi.org/10.7910/DVN/YAQLA1.

[2] Montana Code Annotated §§ 7-6-1501 to 7-6-1551 (Big Sky Resort Area District 4% Tax & 1% Infrastructure/Housing Bond); Whitefish City Code Title 3 Ch. 4 & Title 11 § 11-3-45.

[3] Placer County Code Art. 9.42 (Ord. 6124-B — 3,900 STR Cap) & Art. 4.16 (10% TOT + 2% TBID); El Dorado County Code Ch. 5.56 (Ord. 5135 — 900 Tahoe Basin VHR Cap & 500-ft Buffer); Ashland Municipal Code Ch. 4.24 & 18.2.3.220.

[4] Sonoma Municipal Code Ch. 3.16 & § 19.50.090; Palm Desert Municipal Code Ch. 5.10 & Ch. 3.28; La Quinta Municipal Code Ch. 3.25 (Ord. 591 Permanent STVR Ban) & Ch. 3.24.

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