

Notice of New Short-Term Rental Ordinance and Application Process

The City of Lava Hot Springs has adopted a Short-Term Rental Ordinance No. 2025-08, which establishes updated regulations and procedures for short-term rentals within city limits.

Property owners interested in operating a short-term rental must submit a Short-Term Rental Application together with a City of Lava Hot Springs Business License application. Submission of an application does not guarantee approval to operate a short-term rental.

Under the provisions of the new ordinance, for proposed non-owner occupied short-term rentals in a residential zone, the City will conduct a lottery process to review eligible applications. For these specific types of short-term rentals, only applicants selected through the lottery system will be able to move forward in the short-term rental review and permitting process. All applications must be complete and submitted in accordance with city requirements to be considered.

Lottery Timing Clarification

Ordinance No. 2025-08 references a forty-five (45) day period beginning from the date the ordinance was published. However, because the required short-term rental application materials were not available for processing during that initial period, the City is establishing the initial 45-day lottery process start date as follows:

The short-term rental lottery process will begin forty-five (45) days from January 23, 2026. After the conclusion of the 45-day period, the City will conduct the lottery and notify those who have been selected. The City will also, via the lottery process, select up to three alternates. If those selected no longer wish to move forward, or their STR application or business license application is denied (for example, for lack of sufficient parking or noncompliance with other parts of the ordinance), then the first alternate will be selected, and so forth.

This adjustment ensures that all applicants have a fair and equal opportunity to submit complete applications once the required materials are available.

For additional information, please contact the City Clerk's Office or visit the City's official website.