



City of Palm Springs VACATION RENTAL ADMINISTRATIVE PROCEDURE

SUBJECT: Homesharing Authorization

I. Purpose

To clarify and facilitate compliance with Palm Springs Municipal Code (PSMC) Chapter 5.25 and Ordinance Number 1918 which was effective April 16, 2017, for the purpose of interpreting and carrying out requirements associated with Homesharing and Homeshare Interests, including Section 5.25.078.

II. Application

PSMC Section 5.25.070(t) authorizes the City Manager to establish administrative regulations for the purpose of implementing, interpreting, clarifying, carrying out, furthering and enforcing the requirements of the provisions of PSMC Chapter 5.25.

As such, the City Manager herein further clarifies the registration and operational requirements applicable to Homesharing and Homeshare Interests, and violations relating thereto. This regulation is issued as an interim matter. The issue addressed pursuant to this regulation will be the subject of an amendment to Chapter 5.25.

The Vacation Rental Administrative Regulation dated January 18, 2017, issued under Ordinance 1848 and titled "Homesharing as a Vacation Rental Property", is no longer applicable.

III. Procedure

- A. The definitions for "Homeshare" or "Homesharing" reflected in PSMC Section 5.25.030 are clarified to mean an activity whereby an Owner hosts one or more guest(s) in any room(s) within, or portion of an Owner(s) Property, whether a single-family or multi-family dwelling unit, including without limitation any condominium, and including but not limited to any casita, accessory second dwelling unit, or any other appurtenant permanent structure, for any period of twenty-eight (28) consecutive days or less, while the Owner lives on-site at the Property throughout the stay of the guest(s).
- B. PSMC Section 5.25.078(a) specifies that Homesharing will be authorized in the City provided that an Owner complies with the requirements of that section, including compliance with applicable regulations. See Section 5.25.078(a)(6).
- C. In addition to the requirements of Section 5.25.078, PSMC Section 5.25.040(a) states that the operation of a Homeshare Interest without a Vacation Rental Registration Certificate is prohibited.
- D. When considering an application for a Vacation Rental Registration Certificate for a Homeshare, the City will adhere to the following:

1. An Owner shall only be issued, and can only maintain, a single Registration Certificate at any time. This limitation applies equally to both Homeshares and Vacation Rentals; *i.e.*, an Owner may not own a Vacation Rental *and* a Homeshare, or two (2) Homeshares.
2. New and renewal applications for a Registration Certificate, where the property is within an HOA, require a letter from the HOA Board or management company. The letter shall be dated and on official letterhead, and state that no covenants or other deed restrictions prohibit or limit the use of the property as a Homeshare.
3. A Homesharing Property with five (5) bedrooms or more requires a Land Use Permit, and is subject to PSMC Section 93.23.16.
4. An Owner of a Homeshare Property shall obtain and maintain a minimum general liability policy, acceptable to the Enforcement Official, with a minimum limit of coverage of \$500,000 throughout the term of any Registration Certificate issued and any renewals.
5. A Homeshare Property is subject to the same building, fire and safety inspections, and pool/spa certifications as a Vacation Rental Property.
6. Participation in the Vacation Rental Compliance Department's educational program regarding respective roles and responsibilities is mandatory for the Owner and any representative of Owner that has contact with the guests.
7. Walk-in service for trash is required, and the Owner shall use reasonably prudent business practices to ensure compliance with all of the provisions of Chapter 6.04 of the Municipal Code (Waste Disposal and Diversion).
8. An executed indemnification and hold harmless agreement, in a form approved by the City Attorney, shall be provided.
9. Such other information as the Enforcement Official deems reasonably necessary to administer Chapter 5.25 shall be provided.

E. The following provisions of Chapter 5.25 are clarified below with respect to Homesharing:

1. Reporting and payment of transient occupancy tax will be on a monthly basis and in accordance with Section 5.25.070(q) and PSMC Chapter 3.24.
2. Annual contract limitations do not apply to Homesharing, specifically PSMC Sections 5.25.070(b)(i) – (iii) are not applicable. As such, submittal of a contract summary to the Enforcement Official is not required.

IV. Effective Date

This Administrative Procedure has been approved on 3/27/2018.

APPROVED:

AS TO FORM:

DAVID H. READY, Esq., Ph.D.
City Manager

EDWARD Z. KOTKIN
City Attorney