SUBJECT: Compliance with provisions of Chapter 5.25 – Vacation Rentals/Contract Summaries for "Friends and Family" Stays

## I. Purpose

To clarify and facilitate compliance with Palm Springs Municipal Code (PSMC) Chapter 5.25 and Ordinance Number 2057 adopted November 28, 2022, for the purpose of interpreting and carrying out requirements associated with the requirement to submit a Contract Summary related to the designated and filed list, by the owner, of five (5) persons who may occupy the Vacation Rental unit at no cost and without requiring the presence of the Owner on the premises of the Vacation Rental. PSMC 5.25.070(b)(4) (aka "Friends and Family" stays).

## 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.

PSMC Section 5.25.070(h) requires a contract summary to be filed with the City prior to each applicable occupancy, in a manner approved by the City, to be posted in a conspicuous location at the Vacation Rental property, and to be made available on site at the request of a City Enforcement Official.

Ordinance No. 2057, adopted November 28, 2022, amended Chapter 5.25 to provide,

"Notwithstanding the restrictions imposed by this Subparagraph, the Owner at the time an application or renewal is submitted can designate and file with the Enforcement Official the names of up to five (5) persons who may occupy the Vacation Rental unit at no cost and without requiring the presence of the Owner on the premises of the Vacation Rental. Each such occupancy shall fully comply with all other provisions of this Chapter, including, without limitation, the requirement to submit a Contract summary prior to each applicable occupancy, as set forth in Section 5.25.070(h)." (PSMC 5.25.070(b)(4).)

Pursuant to PSMC Section 5.25.070(t), the City Manager interprets this amendment to mean that, while a contract summary is necessary for each "Friends and Family" stay, such stay would not be counted toward the annual limitations on the number of vacation rentals that a permit holder may conduct.

## III. Regulation

A. A contract summary shall be required for each "Friends and Family" stay. However, any such stay by one or more individuals listed on a previously filed "Friends and Family" list shall not be counted toward the annual limits on the number of stays as set forth in PSMC 5.25.070(b).

## IV. <u>Effective Date</u>

This Administrative Regulation has been approved on October 4, 2023.

APPROVED:

AS TO FORM:

**Scott Stiles** 

City Manager

Jeffrey Ballinger City Attorney

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