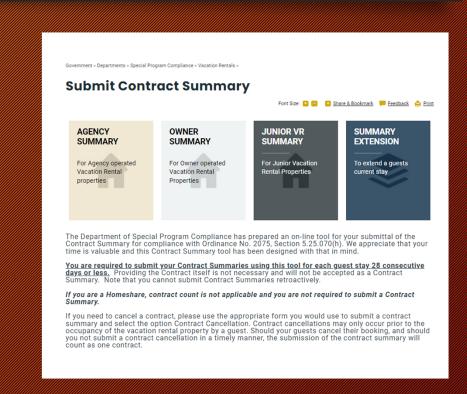
**Contract Summaries and Contract Counts** 

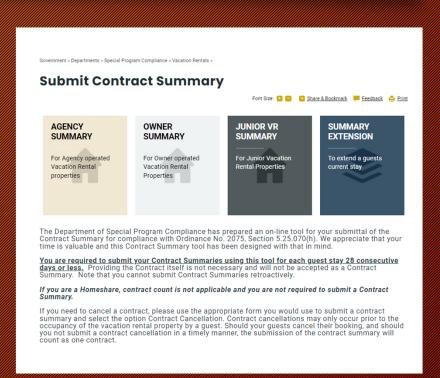
#### A Contract Summary is:

- A summary or abstract of the written Contract, in a form approved by the Enforcement Official
- Filed with the Enforcement Official prior to occupancy, in a manner approved by the Enforcement Official
- Not required for homesharing properties



### Who needs to file a Contract Summary

- Vacation Rental Owners or Operators (Excluding Homeshares)
  - Must submit a Contract Summary prior to occupancy for:
    - For guest stays 28-consecutive days or less
    - Family or friends included\*
    - Event house use\*
- You can access the submission tool by visiting: Submit a Contract Summary



Friends and Family update: If an owner has a friend or family staying at the property and the owner is not present during the guest stay

- If the friend or family is listed on the friends and family list
  - Submit a contract summary with the selection "friend and family"
    - This will <u>not</u> count towards the annual contract limit count.

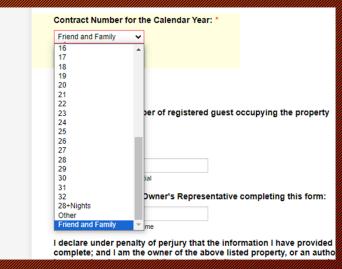
- If the friend or family is not listed on the friends and family list
  - Submit a contract summary with the selection with the appropriate contract number
    - This will count towards the annual contract limit count.

Update!

Friends and Family update: If an owner has a friend or family staying at the property and the owner is not present during the guest stay

- If the friend or family is listed on the friends and family list
  - Submit a contract summary with the selection "friend and family"
    - This will <u>not</u> count towards the annual contract limit count.

Update!



#### **Event Houses**

Palm Springs Municipal Code 5.25.070 (w)

For any Vacation Rental, including any Junior Vacation Rental, that is also used as an Event House, as that term is used in Palm Springs Municipal Code Chapter 5.75, each event shall be counted as a Contract, for purposes of Section 5.25.070's annual caps on the number of Contracts, for such property

Why are the Contract Summaries Required?

#### Supports Contract Requirements

- As described in Palm Springs Municipal Code 5.25.070(h):
- A summary or abstract of the written Contract, in a form approved by the Enforcement Official, shall be filed with the Enforcement Official prior to each applicable occupancy, in a manner approved by the Enforcement Official

#### Supports Annual Contract Limitations

- New permittees (permitted on or after October 18, 2022;
  - 26 Contracts each calendar year
- Existing permittees (permitted on or before October 17, 2022
  - 32 Contracts for Vacation Rental use of a property shall be allowed or provided in any calendar year
  - Four additional Contracts shall be allowed or provided for the Third Quarter of a calendar year so long as the entire term of each such Contract occurs during such Third Quarter
  - Reduced to 26, on January 1, 2026
- Junior Vacation Rentals
  - 6 contracts each calendar year.

#### Supports Code Enforcement

- Allows to know when a property is rented short-term in the case a concern is called in.
- Allows to know who the Responsible Person is in case contact is needed for a concern
- Allows oversight to make sure contract limitations are being followed

What are the violations and penalties?

Failing to submit a summary?

- First offense
  - \$2,500 fine
  - Six-month suspension
- Second Offense
  - \$5,000 fine
  - Revocation of certificate

#### Exceeding short-term stay limitations in a calendar year?

- First Offense
  - \$500 penalty for each count over the permitted limit
    - For example, if you are permitted 36 contracts a calendar year and you have 38 short-term stays, this is 2 additional stays, and the penalty is \$1,000
- Second offense
  - \$1000 penalty for each count over the permitted limit
- If a contract summary was not submitted for the excessive stays, this would be a six-month suspension and \$2,500 penalty

#### **Contract Summary Audits**

- Pursuant to 5.25.080 Audit
  - Each Owner and agent or representative of any Owner shall provide the Enforcement Official with access to each Vacation Rental and the books, records, documents, papers, tax returns, and bank accounts at any time during normal business hours as the Enforcement Official may determine are necessary or convenient for the purpose of inspection or audit to determine that the objectives and conditions of this Chapter are being fulfilled.
- Code Compliance are currently conducting audits
  - Please send all questions to the Code Compliance officer identified in the letter and or email using the contact information provided

**Demonstration** 

Questions