VACATION RENTAL FAQ'S

WHAT IF I AM INTERESTED IN EXCLUSIVELY RENTING MY HOME FOR 30-DAYS OR MORE?

In the City of Palm Springs, vacation rental is defined as single-family dwelling, or any portion thereof, utilized for occupancy for dwelling, lodging, or sleeping purposes without the owner being present for a period of 28 consecutive days or less. Stays 29 days or more are considered long-term and are not regulated by the Vacation Rental Ordinance.

CAN AN OWNER OWN MORE THAN ONE VACATION RENTAL OR HOMESHARE PROPERTY?

An owner may only be issued and benefit from one Vacation Rental or Homeshare Registration Certificate at any time. (Note: multiple Registration Certificates, if issued prior to January 10, 2017, remain valid.)

ARE THERE ANY NEIGHBORHOODS IN PALM SPRINGS WHERE VACATION RENTAL ARE RESTRICTED?

Yes, if the property being applied for a Vacation Rental Registration Certificate is in a Neighborhood that is at a 20% or higher Vacation Rental to residential household percentage, the application will not be accepted. On the main Vacation Rental page, there is a link that will direct you to the Vacation Rental Density webpage where you can look at updated information related to specific Organized Neighborhood Vacation Rental Neighborhood Percentages and a web map to assist with searching to find out which Organized Neighborhood a property is located in. Additionally, if you are within an HOA, you must follow the HOA Rules and Regulations regarding Short Term Rentals.

I'M PURCHASING A HOME THAT HAS BEEN A VACATION RENTAL. CAN I HAVE THE PERMIT TRANSFERRED?

No, the previous owner must close their certificate. As the new owner, you will need to apply as a new applicant. No bookings can occur until a new certificate is received.

CAN A BUSINESS APPLY FOR A VACATION RENTAL CERTIFICATE?

Applications are accepted from any partnership, limited liability partnership, or limited liability company consisting solely of natural persons, the number of whom does not exceed four (4).

WHAT IS A HOMESHARE?

An Owner of a property may apply for a Homeshare Short Term Vacation Rental Certificate. This means that the owner is hosting guest stays of 28 consecutive days or less and is present during each entire stay. There are other specific requirements for Homeshare.

WHAT IS A "JUNIOR" VACATION RENTAL REGISTRATION CERTIFICATE?

A new "Junior" Vacation Rental Registration Certificate is available for a reduced fee in the City's Vacation Rental Program. The amount of Vacation Rental contracts per year allowed under this certificate is 6. Vacation Rental Percentage Caps do not apply to Junior Certificates. All other regulations of vacation rentals, including application requirements, operational requirements, TOT obligations, and penalties for violations apply.

WHAT IF MY VACATION RENTAL PROPERTY HAS MORE THAN 4 BEDROOMS, AM I AN ESTATE HOME?

An Estate Home means a single family dwelling with 5 or more bedrooms. There is a separate Addendum and other specific requirements when applying as an Estate Home that an owner must complete; and a one-time fee¹ is required to obtain the required Land Use Permit. Registration Certificates will only be issued to an Estate Home for use of 5 or 6 bedrooms, regardless of a greater number of bedrooms that may exist or how many bedrooms the owner plans to rent.

CAN PROPERTIES LOCATED WITHIN A HOMEOWNER'S ASSOCIATION REGISTER AS A VACATION RENTAL OR HOMESHARE PROPERTY?

Yes, but only if the Owner or Owner's Agent provides a letter from the HOA Board of Directors or the Property Management Company (please do not provide copies of the CC&Rs), when applying for or renewing a Registration Certificate, that states operating a Vacation Rental or Homeshare does not violate the CC&Rs.

WHAT IS REQUIRED TO APPLY FOR A REGISTRATION CERTIFICATE?

Application requirements are addressed in <u>PSMC Section 5.25.060</u>. The DSPC reserves the right to deny/delay issuance of a Registration Certificate if there are outstanding permit items or fees associated with the property and due to the City of Palm Springs. Incomplete applications will not be accepted.

We recommend all applicants thoroughly read the <u>PSMC 5.25</u> prior to submitting an application for a Vacation Rental or Homeshare, and contact the DSPC with any questions. The application will require that you have read and understood the requirements, and that you have reviewed the online training.

NEW APPLICANTS - A complete Vacation Rental Registration Certificate Application must be submitted along with a non-refundable registration fee¹ annually for short term Vacation Rentals. Homeshare registration fees¹ annually. A Land Use Permit is required for an Estate Home and the one-time fee¹. An application for a Transient Occupancy Tax (TOT) Permit is also required with a one-time non-refundable fee of \$25. All applications are on our website; once completed, the Owner must sign since the owner is ultimately responsible for operation and compliance of their Vacation Rental or Homeshare property. DSPC processing time varies depending on volume and vary between 30, 45, 60 or 90 days for processing. No advertising or operating may occur until the DSPC notifies the applicant in writing, and it is a violation of the PSMC to do so.

ANNUAL RENEWAL APPLICATIONS – For all renewals of Registration Certificates, applicants must pay the annual registration fee¹ and complete and submit a Renewal Registration Certificate application with supporting documents; copy is on the website. Please allow at least 30 days for DSPC to review and process.

¹ Vacation Rental and Homeshare related fees can be found on the Vacation Rental website under User Fees by visiting www. https://www.palmspringsca.gov/government/departments/special-program-compliance/vacation-rentals-1098

HOW CAN I SUBMIT AN APPLICATION?

At this time, new applications and payment can be submitted our on-line service. For existing certificates, the ability to submit renewal applications and payment on-line is being rolled out based on certificate expiration date.

ARE THERE INSURANCE REQUIREMENTS?

Yes, an Owner must carry a short-term rental insurance policy or personal liability policy during the complete term of the Vacation Rental or Homeshare Registration Certificate with a minimum limit of \$500,000 per occurrence. It is not required that the City of Palm Springs be an additional insured party on the policy. Evidence of insurance is required at time of application and renewal.

WHAT IS THE BUILDING, FIRE AND SAFETY INSPECTION?

The DSPC will schedule and conduct an annual safety inspection at the Vacation Rental or Homeshare property at time of a new application or renewal. The Owner, Agent or a representative must be at the property during the inspection. The Safety Inspection Checklist is available on our website. The building, fire and safety inspection is the first step in a multi department permit approval process. Passing this Safety Inspection does not grant permission to advertise operate or rent your property short term.²

Also Required - Certification by a licensed electrician regarding the operability of GFI and safety of any pool and spa; this form is included on our website. It is the responsibility of the Owner/Agent to obtain the electrician's signature on this form and provide it at time of application and renewal. The Pool Certification form must be accompanied by the invoice for services provided by the contractor. If the property is located in an HOA and the HOA is responsible for the pool and spa, the Owner will indicate this in the new/renewal application. This Certification is needed every 5 years or if change of ownership.

WHAT OPERATING REQUIREMENTS MUST I MEET AS AN OWNER OR AGENT?

Owners are limited to the number of guest stays per calendar year. Owners who have applied after October 17th, 2022, will be allowed 26 contract stays per calendar year. For existing permits and permit applications received prior to October 17, 2022, 32 contract stays with 4 additional guest stays that may occur during the 3rd Quarter (months of July, August and September) from Jan 1 – Dec 31 will continue until December 31, 2025.

For new Registration Certificates, this is pro-rated for the 1st Calendar year. Owners of Vacation Rentals must use the online Contract Summary Tool in advance of each guest stay; completing this form should take less than 2 minutes and you will need both your City ID number and TOT number to use the tool. Annual contract limits and the requirement to use the Contract Summary Tool does not apply to Homeshares.

For Vacation Rentals and Homeshares, there are requirements for guest contracts and providing information to guests to help ensure that guests are good neighbors. This includes the Owner/Agent contact information 24x7, and notification that the guest may be cited or fined by the City for creating a disturbance or violating the rules and regulations. The Owner/Agent must meet all guests in person at the Vacation Rental and Homeshare property

² Any person who advertises or operates a Vacation Rental without a Vacation Registration Certificate, shall be liable to the City for the payment of transient occupancy tax pursuant to the provisions of the Palm Springs Municipal Code Chapter 3.24, including without limitation penalties and interest, payment of an administrative fine in the amount of Five Thousand Dollars (\$5,000.00), and permanent ineligibility to operate a Vacation Rental in the City

(or in the case of a Vacation Rental, at the Owner's/Agent's place of business prior to the stay or within 24 hours of arrival), and describe all rules and regulations. Obtaining signature of the Responsible Party and all guests to a Statement of Rules and Regulations is required.

WHAT ARE THE GOOD NEIGHBOR BROCHURE AND THE CITY MANAGER'S STATEMENT OF RULES AND REGULATIONS?

The Good Neighbor Brochure and Statement of Rules and Regulations can be found on our <u>website</u>. The Owner/Agent must provide these to the guests and obtain signatures of all guests on the Statement of Rules and Regulations. Copies of these must be posted in the Vacation Rental and Homesharing property and maintained in the Owner's/Agent's records for 4 years. If a City responder receives a Hotline call and arrives at the Vacation Rental or Homeshare property, the responder may ask the guest to see the signed copy of the Statement of Rules and Regulations.

WHAT ARE THE POSTING REQUIREMENTS?

The <u>Good Neighbor Brochure</u> must be posted on the inside of the front door and the primary door to the backyard, or in a conspicuous location near each such door. Keep the Statement of Rules and Regulations close to the front door and obtain signatures since this is a companion document to the Good Neighbor Brochure. The Registration Certificate must also be posted by the front door. Conspicuous placement helps remind guests of the rules and regulations, including outdoor music and noise restrictions.

ARE THERE OCCUPANCY LIMITS?

Yes, the occupancy limits are below.

Number of Bedrooms	Total of Overnight Occupants **	Total Daytime Occupants (Plus 4)
1	2	6
2	4	8
3	6	10
4	8	12
5*	10	14
6*	12	16

^{*}Estate Home (Vacation Rental or Homeshare with more than 4 bedrooms)

ARE THERE PARKING/CAR, TRASH OR MAINTENANCE HOURS REQUIREMENTS FOR A SHORT TERM VACATION RENTAL?

Yes, one car per bedroom is permitted anytime of day; parking must be in accordance with the applicable PSMC and not block traffic, driveways, etc.

^{**} Overnight occupancy also allows for two (2) minors age twelve (12) and under.

Trash may not be visible to public view, except on designated pick up day and in proper containers and from 5am to 8pm. Owners are required to upgrade trash service to "walk up" with Palm Springs Disposal Service (PSPD), and this will occur when the Registration Certificate application is processed.

All home repairs (external and internal), garden and yard maintenance, and pool cleaning and maintenance may not be performed between the hours of 5pm on Friday and 8am on Monday except in case of emergency or unexpected event that reasonably warrants an immediate response.

WHAT IS A LOCAL CONTACT

A Local Contact can be an Owner, a local property manager, or agent of the Owner, who is available twenty-four hours per day, seven days per week for the purpose of responding in-person within thirty (30) minutes to complaints regarding the condition, operation, or conduct of occupants of the Vacation Rental, or any agent of the Owner authorized by the Owner to take remedial action and who responds to any violation of this code.

HOW DO I SUBMIT MY CONTRACT SUMMARY TO THE CITY?

The DSPC has developed a simple online tool that is accessible on the <u>website</u>. There is one form for agencies to complete and another form for Owners to complete. Contract Summaries must be entered before the guest arrives. A copy of the guest contract is not required. The DSPC will use this contract summary information for audit purposes to help verify actual guest stays occurring within the annual contract limit. Contract Summaries are not required for Homehares. It also informs DSPC Code Officers who the responsible renter is in case of a call.

HOW DO I PAY TRANSIENT OCCUPANCY TAXES (TOT) TO THE CITY OF PALM SPRINGS?

TOT payments of 11.5% are required to be reported and paid monthly, even if there was no guest activity or payment received in that period. Payments may be paid reported and paid online or must be timely mailed to the City of Palm Springs. The TOT reporting form is on our website; you will need your TOT number to submit these monthly forms. "Zero" returns cannot be submitted on the online reporting tool. "Zero" returns may be reported by using a reporting form which can be emailed to TOTDesk@palmspringsca.gov Please call #760-323-8226 with any questions on completion and submittal of this form.

WHAT IS THE TBID ASSESSMENT?

Effective July 1, 2021, Vacation Rental and Homeshare lodgings began paying the 1% TBID (Tourism Business Improvement District) assessment on short term stays of 27 days or less. The Greater Palm Springs Convention & Visitors Bureau (CVB) has further information on their website: https://www.visitgreaterpalmsprings.com/2020-tbid/ Although the 1% TBID will be paid at the same time as your monthly TOT payments, TBID money is a separate item that will be directed to the CVB.

ARE THERE RESTRICTIONS ON THE NUMBER OF DAYS OR CONTRACTS THAT A VACATION RENTAL PROPERTY CAN OPERATE?

There is no restriction on the number of days. However, no more than twenty six (26) contracts for Vacation Rental use of a property is allowed in any calendar year. For existing permits and permit application received prior to October 17, 2022, thirty two (32) contract stays with 4 additional guest stays that may occur during the 3rd Quarter (months of July, August and September) from Jan 1 – Dec 31 until December 31, 2025. For the first year a Vacation Rental Registration Certificate is in effect the contract limit will be prorated. This contract limit does not apply to Homeshares. Junior Vacation Rental Certificates are limited to six (6) calendar contracts.

WHAT ARE THE FAMILY AND FRIENDS REQUIREMENTS?

An Owner may, at the Owner's option, identify 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 during the stay; this is for the purpose of not including their guest stays in the annual contract limit. However, all occupants at a Vacation Rental property without the owner present must always comply with Vacation Rental rules. The owner will provide the list at the time of application and at time of renewal if there are changes; no changes will be permitted otherwise. The Family and Friends list form is on our website. The Friends and Family list is not applicable to Homeshares since there is no annual contract limit for Homeshares.

ADVERTISING A VACATION RENTAL OR HOMESHARE PROPERTY.

Owners must include their City ID number on all advertising in the property description or other prominent area. The City ID number is identified on your Registration Certificate. It is different from your TOT number; your TOT number is not required to be posted on your advertising.

STAKEHOLDER MEETINGS AND WEBSITE COMMUNICATION.

The DSPC holds quarterly Stakeholder meetings. Everyone is considered a Stakeholder and is welcome to attend and encouraged to participate. Specific topics are covered, questions are addressed, and best practices are shared by attendees.

You may sign up for e-notifications on our website and you will receive notices of the Stakeholder Meetings and when updated information is being posted to the website, and other matters of interest. The DSPC website is www.psvacationrentalcompliance.com